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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Filing at a Glance

Company:	LifeSecure Insurance Company
Product Name:	Individual LTC 1.0 Rate Increase
State:	Virginia
TOI:	LTC03I Individual Long Term Care
Sub-TOI:	LTC03I.001 Qualified
Filing Type:	Rate
Date Submitted:	07/21/2017
SERFF Tr Num:	LFSC-131119865
SERFF Status:	Closed-Approved and Filed
State Tr Num:	LFSC-131119865
State Status:	Approved & Filed
Co Tr Num:	LS-0002 RATE INCREASE
Implementation	12/01/2018
Date Requested:	
Author(s):	Jodi McAllister, Lynda Roberts, Marsha Tate
Reviewer(s):	Bobby Toone (primary), Elsie Andy
Disposition Date:	10/07/2020
Disposition Status:	Approved and Filed
Implementation Date:	

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## General Information

Project Name: Individual LTC 1.0 Rate Increase

Project Number:

Requested Filing Mode: Review & Approval

Explanation for Combination/Other:

Submission Type: New Submission

Overall Rate Impact: 34%

Deemer Date: 08/23/2020

Submitted By: Amanda Wheeler

Status of Filing in Domicile: Authorized

Date Approved in Domicile:

Domicile Status Comments: Our domicile state, Michigan was approved on 01/30/2018.

Market Type: Individual

Individual Market Type:

Filing Status Changed: 10/07/2020

State Status Changed: 10/07/2020

Created By: Amanda Wheeler

Corresponding Filing Tracking Number:

State TOI: LTC03I Individual Long Term Care

Filing Description:

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

RE:LifeSecure Insurance Company

Company NAIC #: 77720

SERFF Tracking No: LFSC-131119865

Rate Revision Filing on Long Term Care Policy Form:

LS-0002, et al: Tax Qualified Individual Guaranteed Renewable LTC Insurance Policy

Enclosed for your review and approval are the Actuarial Memorandum and Rate Sheets for the proposed rate revision filing on the above-captioned Long Term Care policy form. This policy form was issued in your state from January, 2010 to July 2014. The form is subject to the rate stability regulation. This product is not being currently marketed in your state and was replaced with ICC13-LS-LTC-0005. LifeSecure Insurance Company requests a premium rate increase of 34%, in accordance with the requirements of Section 20 of the Long Term Care Insurance Model Regulation. In determining the need for a premium rate increase, LifeSecure Insurance Company considered the following:

- The rate increase is necessary due to the current expectation regarding assumptions for morbidity and terminations is worse than the original pricing assumptions.

While we strongly encourage policyholders to maintain coverage, we believe it is important to provide options to policyholders who wish to reduce benefits in order to keep their premium approximately the same. LifeSecure will offer policyholders who qualify the option of decreasing coverage in order to maintain approximately the same premium. In addition, policyholders who are eligible will be informed of their option to exercise their Shortened Nonforfeiture Benefit Option Rider or, if applicable, a Contingent Nonforfeiture Option.

Enclosed, please find the following:

- Actuarial Memorandum;
- Current and Proposed Rate Schedules; and
- Sample policyholder communication.

The actuarial memorandum includes a detailed rate increase justification.

We trust that you will find our filing to be in order, and that it will allow you to review and approve the rate revision filing request. Thank you for your time and consideration in the review of this filing for LifeSecure Insurance Company. Should you require further information, please do not hesitate to contact me at (P) 810-220-4661 and (E) KPeake@yourlifesecond.com. Sincerely,

Kevin Peake  
Manager, Actuary  
LifeSecure Insurance Company

## Company and Contact

### Filing Contact Information

Kevin Peake, Actuarial Analyst  
10559 Citation Drive  
Brighton, MI 48116

kpeake@yourlifesecond.com  
810-220-4661 [Phone]  
810-220-7707 [FAX]

**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company Information**

LifeSecure Insurance Company  
10559 Citation Drive  
Suite 300  
Brighton, MI 48116  
(810) 220-8774 ext. [Phone]

CoCode: 77720  
Group Code: 572  
Group Name: BCBS of MI GRP  
FEIN Number: 75-0956156

State of Domicile: Michigan  
Company Type: Life, A & H  
State ID Number:

**Filing Fees**

Fee Required? No

Retaliatory? No

Fee Explanation:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Correspondence Summary

### Dispositions

Status	Created By	Created On	Date Submitted
Approved and Filed	Bobby Toone	10/07/2020	10/07/2020

## Objection Letters and Response Letters

### Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Bobby Toone	07/08/2020	07/08/2020
Info has been requested from company	Bobby Toone	06/03/2020	06/03/2020
Info has been requested from company	Bobby Toone	05/14/2020	05/14/2020
Info has been requested from company	Bobby Toone	05/13/2020	05/13/2020
Info has been requested from company	Bobby Toone	05/05/2020	05/05/2020
Info has been requested from company	Bobby Toone	04/02/2020	04/02/2020
Info has been requested from company	Bobby Toone	01/22/2020	01/22/2020
Disapproved	Elsie Andy	06/18/2019	06/18/2019
Info has been requested from company	Bobby Toone	04/08/2019	04/08/2019
Info has been requested from company	Bobby Toone	02/20/2019	02/20/2019

### Response Letters

Responded By	Created On	Date Submitted
Lynda Roberts	07/24/2020	07/24/2020
Lynda Roberts	07/02/2020	07/02/2020
Diana Ulicny	05/18/2020	05/18/2020
Diana Ulicny	05/14/2020	05/14/2020
Diana Ulicny	05/14/2020	05/14/2020
Diana Ulicny	05/14/2020	05/14/2020
Diana Ulicny	02/21/2020	02/21/2020
Diana Ulicny	07/18/2019	07/18/2019
Diana Ulicny	04/11/2019	04/11/2019
Diana Ulicny	02/27/2019	02/27/2019

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

## Objection Letters and Response Letters

### Objection Letters

Status	Created By	Created On	Date Submitted
Info has been requested from company	Greg Smith	09/28/2018	09/28/2018
Info has been requested from company	Greg Smith	08/23/2018	08/23/2018
Info has been requested from company	Janet Houser	11/16/2017	11/16/2017
Info has been requested from company	Janet Houser	10/12/2017	10/12/2017
Disapproved	Bob Grissom	09/29/2017	09/29/2017
Disapproved	Janet Houser	07/27/2017	07/27/2017

### Response Letters

Responded By	Created On	Date Submitted
Diana Ulicny	10/08/2018	10/08/2018
Diana Ulicny	09/13/2018	09/13/2018
Diana Ulicny	07/16/2018	07/16/2018
Diana Ulicny	11/01/2017	11/01/2017
Diana Ulicny	11/01/2017	11/01/2017
Diana Ulicny	09/22/2017	09/22/2017

### Amendments

Schedule	Schedule Item Name	Created By	Created On	Date Submitted
Supporting Document	Redlines of Letter & Selection Option Form for Objection Due 7/2/2020	Lynda Roberts	07/02/2020	07/02/2020

### Filing Notes

Subject	Note Type	Created By	Created On	Date Submitted
Filing Update	Note To Reviewer	Lynda Roberts	07/02/2020	07/02/2020
Phone Call	Note To Filer	Bobby Toone	05/05/2020	05/05/2020
Extension	Note To Filer	Bobby Toone	05/04/2020	05/04/2020
Extension Please	Note To Reviewer	Diana Ulicny	05/04/2020	05/04/2020
Status of Filing	Note To Reviewer	Diana Ulicny	01/02/2019	01/02/2019
Status	Note To Reviewer	Diana Ulicny	11/12/2018	11/12/2018
Actuarial Final Summary & Opinion Report	Reviewer Note	Bobby Toone	08/18/2020	
RRS	Reviewer Note	Bobby Toone	10/15/2018	

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
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## Disposition

Disposition Date: 10/07/2020

Implementation Date:

Status: Approved and Filed

Comment: In approving this filing, the Company is reminded that pursuant to 14VAC5-200-153 D, it is required to provide updated experience for the next three years comparing the actual results to the results that the Company projected in justifying the rate increase. We would expect this filing to be made no later than 10/07/2021 and to include updated data through the most recent year end.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
LifeSecure Insurance Company	38.700%	38.700%	\$168,439	208	\$435,136	54.200%	22.400%

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document (revised)	Certification of Compliance	Received & Acknowledged	Yes
Supporting Document	Product Checklist	Received & Acknowledged	Yes
Supporting Document (revised)	L&H Actuarial Memorandum	Received & Acknowledged	Yes
Supporting Document (revised)	Long Term Care Insurance Rate Request Summary	Received & Acknowledged	Yes
Supporting Document (revised)	LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020	Received & Acknowledged	Yes
Supporting Document	Virginia Objection Response 09-22-17	Received & Acknowledged	Yes
Supporting Document (revised)	Readability Compliance Certifications - Letter and Form	Received & Acknowledged	Yes
Supporting Document (revised)	Schedule of Benefits with Logo	Received & Acknowledged	Yes
Supporting Document (revised)	Statement of Variability Documents - Letter and Options Form 05.2020	Received & Acknowledged	Yes
Supporting Document	Response to Objection 09-29-17	Received & Acknowledged	Yes
Supporting Document	Response to Objection 10-12-17	Received & Acknowledged	Yes
Supporting Document	Virginia Objection 3 Attachments 07/16/18	Received & Acknowledged	Yes
Supporting Document	VA Statement of Variability - SOB 07/16/18	Received & Acknowledged	Yes
Supporting Document	LS-0002 VA 07/07 Policy	Received & Acknowledged	Yes
Supporting Document	Objection Response 07-16-18	Received & Acknowledged	Yes
Supporting Document	Objection Response 08-23-18	Received & Acknowledged	Yes

State: Virginia

Filing Company:

LifeSecure Insurance Company

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: Individual LTC 1.0 Rate Increase

Project Name/Number: Individual LTC 1.0 Rate Increase/

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Objection Response 09-28-18	Received & Acknowledged	Yes
Supporting Document	Objection Response 04-08-19	Received & Acknowledged	Yes
Supporting Document	Requested Information 01/22/2020	Received & Acknowledged	Yes
Supporting Document	Redlines of Letter & Selection Option Form for Objection Due 7/2/2020	Received & Acknowledged	Yes
Supporting Document	Rate Increase Letter & Option Form highlighted	Received & Acknowledged	Yes
Supporting Document	Certification of Compliance	Withdrawn	Yes
Supporting Document	Certification of Compliance	Withdrawn	No
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document	L&H Actuarial Memorandum	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	Long Term Care Insurance Rate Request Summary	Withdrawn	No
Supporting Document	LTC Rate Increase Letter and Premium Increase Selection Option Form	Withdrawn	No
Supporting Document	LTC Rate Increase Letter and Selection Form	Withdrawn	No
Supporting Document	LTC Rate Increase Letter	Withdrawn	No
Supporting Document	LTC Rate Increase Letter	Withdrawn	No
Supporting Document	LTC Rate Increase Letter Readability Certification	Withdrawn	No
Supporting Document	Schedule of Benefits 07/16/18	Withdrawn	No
Supporting Document	Schedule of Benefits 11-01-17	Withdrawn	No
Supporting Document	Schedule of Benefits	Withdrawn	No
Supporting Document	Statement of Variability Documents - Letter and Form 05.2020	Withdrawn	No
Supporting Document	Statement of Variability Documents - Letter and Form	Withdrawn	No
Supporting Document	Statement of Variability 11-01-17	Withdrawn	No
Form (revised)	LTC Rate Increase Letter	Filed	Yes
Form (revised)	LTC Selection Option Form	Approved	Yes
Form (revised)	Schedule of Benefits	Approved	Yes
Form	LTC Rate Increase Letter	Withdrawn	No
Form	LTC Rate Increase Letter	Withdrawn	No
Form	LTC Rate Increase Letter	Withdrawn	No



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Schedule	Schedule Item	Schedule Item Status	Public Access
Form	LTC Rate Increase Letter	Withdrawn	No
Form	LTC Selection Option Form	Withdrawn	No
Form	LTC Selection Option Form	Withdrawn	No
Form	LTC Selection Option Form	Withdrawn	No
Form	LSI - LTC Rate Increase Notice	Withdrawn	No
Form	Schedule of Benefits	Withdrawn	No
Form	Schedule of Benefits	Withdrawn	No
Rate (revised)	Exhibit E.1 and E.2-LS0002 Rate Sheets	Approved	Yes
Rate	Exhibit E.1 and E.2-LS0002 Rate Sheets	Withdrawn	No
Rate	Exhibit E.1 and E.2-LS0002 Rate Sheets	Withdrawn	No

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	07/08/2020
Submitted Date	07/08/2020
Respond By Date	08/07/2020

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Dear Kevin Peake,

### Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### Objection 1

- LTC Rate Increase Letter, LS-0827 VA 05/2020 (Form)

Comments: The Bureau's website has changed. Please used this updated version.

<https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>

### Objection 2

- LTC Rate Increase Letter, LS-0827 VA 05/2020 (Form)

- LTC Selection Option Form, LS-0828 VA 05/2020 (Form)

Comments: It appears that the first phrase appearing in the second paragraph of the Limited Pay Option, If you elect this exercise this benefit should be revised to state, If you elect to exercise this benefit. This objection also applies to the same language appearing in form LS-0828 VA 05/2020.

### Objection 3

- Schedule of Benefits, LS-0051 VA 05-07 (Form)

Comments: Please note that Schedule of Benefits form number in the Form Schedule is inconsistent with that appearing in the form. Please be aware that the number appearing in the Form Schedule must mirror that appearing in the form including dashes, slashes and spacing. Please advise which form number is correct. If the form number appearing in the lower left-hand corner on the first page of the form is correct, please revise the Form Schedule to display the correct form number. If the Form Schedule is correct, please provide us with a revised form.

### Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

*Thank you for your courtesy and consideration in this matter.*

*Sincerely,  
Bobby Toone*

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	06/03/2020
Submitted Date	06/03/2020
Respond By Date	07/02/2020

Dear Kevin Peake,

### Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### Objection 1

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: Please verify that the letter will be sent out in time to ensure that the policyholder has a minimum of 75 days, once they receive the letter, before they are required to return it; as required in 14VAC5-200-75 D.

### Objection 2

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: 14VAC5-101-80 D requires that all variable text should be separately and completely explained in the Statement of Variability. Please revise the SOV to include a description of every item in the Premium Increase Option Selection Form that is bracketed.

### Objection 3

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: There is no contact information, except a fax number, available on the Option Selection form to allow a policyholder to contact the company if they have questions. Pursuant to 14VAC5-200-75 D 2(d), please add contact information to the Premium Increase Option Selection Form.

### Objection 4

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

- Schedule of Benefits, LS-0051 VA 05-07 (Form)

Comments: Please explain if a policyholder will have the option to reduce or remove the Compound Inflation Protection, as shown in the Schedule of Benefits, in the event of a premium increase. If so, please add this to the Premium Increase Option Selection Form.

### Objection 5

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: 14VAC5-200-185 E 3 requires that the standard non-forfeiture credit shall be equal to 100% of all premiums paid, including any premiums paid prior to any changes in benefits. Please revise Variables 2a (Standard Option) and 3 (Lapse Protection Benefit) to comply with the regulation.

### Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

*DISAPPROVED unless a 30-day extension is requested.*

*Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.*

*Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.*

*Thank you for your courtesy and consideration in this matter.*

*Sincerely,  
Bobby Toone*

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	05/14/2020
Submitted Date	05/14/2020
Respond By Date	06/13/2020

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Dear Kevin Peake,

### **Introduction:**

*The Bureau has the following concerns and/or needs additional information to continue its review.*

*Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.*

### **Objection 1**

*- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)*

*Comments: Please move the revised Rate Increase Letter and the Premium Increase Selection Option Form to the Form Schedule.*

### **Conclusion:**

*We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.*

*A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.*

*Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.*

*Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.*

*Thank you for your courtesy and consideration in this matter.*

Sincerely,  
Bobby Toone

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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	05/13/2020
Submitted Date	05/13/2020
Respond By Date	06/12/2020

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Dear Kevin Peake,

**Introduction:**

*The Bureau has the following concerns and/or needs additional information to continue its review.*

*Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.*

### Objection 1

*- Long Term Care Insurance Rate Request Summary (Supporting Document)*

*Comments: The Long-Term Care Rate Request Summary has changed. Please use the revised form, found at <http://www.scc.virginia.gov/boi/co/health/ltcforms.aspx>.*

**Conclusion:**

*We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.*

*A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.*

*Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.*

*Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.*

*Thank you for your courtesy and consideration in this matter.*

Sincerely,  
Bobby Toone

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	05/05/2020
Submitted Date	05/05/2020
Respond By Date	06/04/2020

Dear Kevin Peake,

### Introduction:

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### Objection 1

- LTC Rate Increase Letter, LS-0827 VA 07-18 (Form)
- LTC Selection Option Form, LS-0828 VA 07-18 (Form)
- Schedule of Benefits, LS-0051 VA 05-07 (Form)

Comments: 1. We observed that the logo for the Schedule of Benefits is different than the logo on the other forms. The bureau feels this could potentially be misleading to a policyholder. Please revise the logos so they are consistent throughout the forms.

2. In the Selection Option Form, please explain the meaning of a "secured fax".

3. Pursuant to 14VAC5-200-75 D 2, please include a description of each of the options available to a policyholder, that are in the Selection Option Form, in the Policyholder Letter.

### Objection 2

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: The non-bolded print in the Selection Option Form does not comply with 14VAC5-101-70 E, which requires that any form submitted for review or approval should be printed in at least 10-point font size.

### Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bobby Toone



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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
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**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	04/02/2020
Submitted Date	04/02/2020
Respond By Date	05/02/2020

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Dear Kevin Peake,

### **Introduction:**

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### **Objection 1**

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: The narrative included in the Rate Request Summary is expected to be read by policyholders who may be in their 70's and/or 80's, with little or no insurance experience or knowledge. Please revise the narrative to make it more understandable for the insurance public.

The second paragraph of the Rate Increase Letter is a good example.

### **Conclusion:**

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bobby Toone

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	01/22/2020
Submitted Date	01/22/2020
Respond By Date	02/21/2020

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Dear Kevin Peake,

### **Introduction:**

The Bureau has the following concerns and/or needs additional information to continue its review.

Please note, any revisions, modifications, or changes of any type to this filing not specifically requested by us must be brought to our attention upon resubmission and explained in detail.

### **Objection 1**

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: We have some questions about Variable 2b: Limited Pay Option. Please explain how this option would be administered and provide 3 examples.

### **Objection 2**

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: Please state whether Variable 2a: Standard Option is automatically chosen if the policy lapses anytime within 120 days of the due date of the new, increased premium. If so, please revise the Selection Option Form to reflect that.

### **Conclusion:**

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues described above. Upon subsequent review, other concerns may require attention.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bobby Toone

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

## Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	06/18/2019
Submitted Date	06/18/2019
Respond By Date	07/18/2019

Dear Kevin Peake,

### Introduction:

The submission is *DISAPPROVED* and may not be used in the Commonwealth of Virginia.

We have continued our review of the forms included within the submission and they were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

### Objection 1

- Certification of Compliance (Supporting Document)

Comments: Thank you for providing us with the certification of compliance; however, the certification attests to compliance with the laws and regulations of the state of Iowa. Please revise the certification of compliance for compliance with the laws and regulations of Virginia. Please review 14 VAC 5-100-40 3 for specific language requirements.

### Objection 2

- LTC Rate Increase Letter Readability Certification (Supporting Document)

Comments: Please provide us with a certification of readability specific to form numbers LS-0827 VA 07/18 and LS-0828 VA 07-18. 14 VAC 5-110-60 requires that the certification of readability state the number of words, syllables, and sentences contained in the forms. Also, please review the regulation for required certification language.

### Objection 3

- Statement of Variability 11-01-17 (Supporting Document)

- LTC Rate Increase Letter, LS-0827 VA 07/18 (Form)

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: Please provide us with a statement of variability for forms LS-0827 VA 07/18 and LS-0828 VA 07-18.

### Objection 4

- LTC Rate Increase Letter, LS-0827 VA 07/18 (Form)

Comments: The form references the enclosed Selection Option Form. In order to avoid confusion, the form should reference the full name of the option form, Premium Increase Selection Option Form.

### Objection 5

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: All text appearing in the form must be a type size of at least 10 point.

### Objection 6

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: The Lapse Protection Benefit imposes a three-year waiting period. Has the waiting period been satisfied if the benefit appears in the option form?

### Objection 7

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: Please advise if form LS-0828 VA 07/18 will be attached to the policy and become part of the entire contract.

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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Objection 8**

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: With respect to contingent benefits upon lapse, requirements set forth in 14 VAC 5-200-185 D were revised effective 9/1/15. Please advise how the contingent benefits upon lapse are satisfying the revised requirements.

**Conclusion:**

We shall be glad to reconsider this submission upon receipt of the revised forms to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this Objection Letter is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Elsie Andy  
Manager, Forms and Rates  
Life and Health Division

Sincerely,  
Elsie Andy

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	04/08/2019
Submitted Date	04/08/2019
Respond By Date	05/08/2019

Dear Kevin Peake,

### Introduction:

Thank you for your previous response, however, one or more items included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

### Objection 1

- L&H Actuarial Memorandum (Supporting Document)
- Exhibit E.1 and E.2-LS0002 Rate Sheets, [LS-0002 VA 07/07] (Rate)

Comments: Please explain why the Rate/Rule Schedule lists only form LS-0002 VA 07/07, while the Actuarial Memorandum says Form LS-0002, et al. Are there additional forms involved in this filing? If so, please add them to the Affected Forms section and submit any rates associated with them for approval.

### Objection 2

- L&H Actuarial Memorandum (Supporting Document)
- Exhibit E.1 and E.2-LS0002 Rate Sheets, [LS-0002 VA 07/07] (Rate)

Comments: In addition to LS-0002 VA 07/07, there are the following forms listed in the 2017 Annual Rate Report: LS-0052 VA 05/07, LS-0051 VA 05/07, LS-0100A VA 05/07, LS-0101 ST 05/07, and LS-0202A VA 07/07. Please describe the relationship these forms have with LS-0002 VA 0707.

### Objection 3

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the current nationwide cumulative increase to date.

### Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the nationwide cumulative increase if all increases filed were approved.

### Objection 5

- Schedule of Benefits 07/16/18 (Supporting Document)

Comments: Please move the Schedule of Benefits from Supporting Documentation to the Form Schedule.

### Conclusion:

We shall be glad to reconsider this submission upon receipt of the revised information necessary to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

*Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.*

*Thank you for your courtesy and consideration in this matter.*

Sincerely,  
Bobby Toone

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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	02/20/2019
Submitted Date	02/20/2019
Respond By Date	03/18/2019

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Dear Kevin Peake,

### **Introduction:**

One or more items included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

### **Objection 1**

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: 14VAC5-100-50.5 requires that any individual accident and sickness form must be printed using a type size of at least 10 point. Please revise this document to meet this requirement.

### **Objection 2**

- LTC Rate Increase Letter (Supporting Document)

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: To be in compliance with 14VAC5-100-50.3, please submit a copy of each of the above indicated forms, sufficiently completed in "John Doe" fashion to indicate how it is to be used.

### **Objection 3**

- L&H Actuarial Memorandum (Supporting Document)

Comments: 14VAC5-200-75 D requires that policyholders be given at least 75 days notice of an upcoming premium increase. Please verify that policyholders will be given a minimum of 75 days notice prior to the implementation of this premium increase.

### **Conclusion:**

We shall be glad to reconsider this submission upon receipt of the revised information necessary to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

A response to this objection (or request for information if more applicable) is expected within 30 days. After 30 days, the filing will be DISAPPROVED unless a 30-day extension is requested.

Once a submission has been closed, a new SERFF submission will be required. To expedite the review, the new submission should reference the SERFF tracking number of the prior submission and verify that all outstanding issues have been addressed.

Should you wish to discuss any of the objections or provide additional information related to any of the objections, this should be done prior to making a new SERFF submission.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Bobby Toone

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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	09/28/2018
Submitted Date	09/28/2018
Respond By Date	

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Dear Kevin Peake,

**Introduction:**

During our review, we noted the following issues and/or need addition information to continue.

Note, any revisions, modifications, or changes of any type to the filing not specifically requested by us should be brought to our attention upon resubmission and explained in detail.

### Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide an actuarial certification as required by 14VAC5-200-153 B.2 in the Actuarial Memo.

**Conclusion:**

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues noted above. Should you need clarification, please contact me.

Thank you for your courtesy and prompt response.

Greg Smith, Principal Insurance Market Examiner

Sincerely,  
Greg Smith



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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	08/23/2018
Submitted Date	08/23/2018
Respond By Date	

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Dear Kevin Peake,

**Introduction:**

During our review, we noted the following issues and/or need addition information to continue.

Note, any revisions, modifications, or changes of any type to the filing not specifically requested by us should be brought to our attention upon resubmission and explained in detail.

### Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please submit an updated actuarial memorandum reflecting the increase request as revised on 7/16/2018.

### Objection 2

Comments: The original request was capped so as not to exceed currently marketed premiums, but the revised request does not appear to be capped. Please explain.

### Conclusion:

We will be glad to continue our review of this submission upon receipt of the requested information or resolution of the issues noted above. Should you need clarification, please contact me.

Thank you for your courtesy and prompt response.

Greg Smith, Principal Insurance Market Examiner

Sincerely,  
Greg Smith

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

## Objection Letter

Objection Letter Status Info has been requested from company  
Objection Letter Date 11/16/2017  
Submitted Date 11/16/2017  
Respond By Date

Dear Kevin Peake,

### Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

### Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1. Virginia law does not recognize a change in the IRR of distributable earnings as a trigger for a rate increase request. Please modify the Companys actuarial documentation as needed.

2. The Bureau is still in need of a lifetime projection of business using all original assumptions and actual mix of business, showing this information by calendar year with the actual sales as they occurred so that this can be compared to the other inforce projections. This could be accomplished by running the inforce projection model with the same policy cohorts as in the Exhibit C projections, but using the original premium scale for all years and all of the original assumptions for morbidity, mortality, and lapse from issue rather than the actual experience. These projections should be provided separately for GPO, 3% and 5% business.

3. The Bureau requires that projections made under 14VAC5-200-153.C.2. utilize the original pricing loss ratio (calculated at the same interest rate used in the testing) if higher than the stipulated 58% or 85%. In the Companys September 21, 2017 response, the original lifetime loss ratios are presented in Objection Exhibit 3. Using this data and the discount rate of 3.7%, the corresponding pricing loss ratios are 52.9%, 61.5%, and 79.6% for GPO, 3% and 5%, respectively. It appears that the 5% policies are not in compliance with a 79.6%/85% test. Please provide an alternative rate increase request for this block of policies which will comply.

4. From the chart provided in your September 21, 2017 response to Objection 4.4., the primary drivers of the need for a rate increase are lapse and morbidity. However, the actual-to-expected results for both claim costs and total terminations are favorable to the Company (i.e., less than 100% for claims and greater than 100% for terminations). This would imply that the entirety of the need for a rate increase is based on assumption of future experience that are worse than anticipated while past experience was better than anticipated. Please justify basing this increase request solely on a change in anticipated industry experience which has not been exhibited by the Company.

### Objection 2

- LTC Rate Increase Letter, LS-0827 VA 09.17 (Form)

Comments: Please address the following concerns with the letter:

1) Please refer to the company using its full and proper name, LifeSecure Insurance Company, in the third sentence of the first paragraph of the letter.

2) Our objection indicating that any references to future rate increases should clearly state that no premium increases will be implemented unless first filed and approved by the Virginia State Corporation Commission has not been resolved by stating such increases would be in accordance with the requirements of the state in which your policy was issued. Since this form is specific to Virginia, we again request the language be amended as requested.

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

3) According to your response, the LTC Rate Increase Notice will not be included with the policyholder letter for those on waiver. Without this form included, the policyholder letter would not be in compliance with 14VAC5-200-75 D 2 which requires a clear explanation of options available to the policyholder as alternatives to paying the rate increase. Please resolve.

4) The Company indicated the reason for the rate increase was included in paragraph two of the policyholder letter. The letter simply indicates the company evaluated a variety of factors that impact premium rates but does not include a clear identification of the driving factors of the premium rate increase pursuant to 14VAC5-200-75 D 3. What exactly are the factors that affected the need for a rate increase and why. Below is an example of such an explanation:

"Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims."

5) Please provide a Certification of Compliance for both the policyholder letter and selection form with language compliant with 14VAC5-100-40 3.

6) The letter has a bracketed section on page two of the letter with no explanation in the Statement of Variability. It is unclear why this section "We understand if you would like to explore other options to continue your coverage. The enclosed Selection Form outlines some options that may be available to you" would be bracketed. For compliance with 14VAC5-200-75 D 2 this sentence should not be bracketed.

7) The insured should have the potential removal of riders as an option to reduce the impact of the rate increase. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?

8) Please include a statement in the letter for compliance with 14VAC5-200-75 A 4 b that the insured has the right to request a revised premium rate or rate schedule.

9) The rate increase ranges from 1% to 90%. Is the Company willing to implement the increases in a series? If so, a policyholder letter would need to be sent prior to the implementation of each increase; and, as a result, the policyholder letter and statement of variability should be amended to include the appropriate variability to accommodate this.

### Objection 3

- LSI - LTC Rate Increase Notice, LS-0828 VA 09.17 (Form)

Comments: The language under Variable 2 should clearly state the paid up value under Contingent Non-Forfeiture Benefit will be the greater of 100% of the sum of all premiums paid or 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. This benefit would automatically become effective 120 days from the date of lapse if the premium is not paid.

Please confirm that the Contingent Non-Forfeiture Benefit will be administered to all policyholders or only those eligible policyholders in accordance with 14VAC5-200-185 D as revised in September 2015. Please be aware the trigger points have been changed. For consistency with the regulation, the benefit should be referred as the Contingent Benefit Upon Lapse option.

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

*How does this differ from the Standard Option provided under Variable 2a and the Lapse Protection Benefit under Variable 3?*

*There is a concern regarding the language that states the revised Benefit Bank is reduced by the sum of all benefits previously paid to You. As a result of this concern, the Manager of the Forms and Rates section in the Bureau will be in contact with the company to discuss this matter.*

*For our purposes and pursuant to 14VAC5-200-185 F, the paid-up value will not exceed the maximum benefits that would have been payable if the Policy had remained in a premium paying status. Please explain how the company calculates the paid-up value for the Contingent Benefit Upon Lapse option.*

#### **Objection 4**

*- Long Term Care Insurance Rate Request Summary (Supporting Document)*

*Comments: Since it is unknown as to when this filing will be approved, please replace the effective date in this form with "on approval after a 75 day notice" to avoid any misunderstanding or confusion as to when the increase will become effective.*

*Also, please attach as page 2 a brief narrative to summarize the key information used to develop the rates including the main drivers for the revised rates. This should be similar to the reasons for the rate increase as contained in the policyholder letter.*

#### **Objection 5**

*- Exhibit E.1 and E.2-LS0002 Rate Sheets, [LS-0002 VA 07/07] (Rate)*

*Comments: The company is providing rate pages for Individuals and Associations, Employer-Based Groups, and Employer Groups. The originally approved filing is SERFF tracking number LFSC-125188842 and rates were not segregated by class. Please explain when rates by class were approved.*

#### **Objection 6**

*- Schedule of Benefits 11-01-17 (Supporting Document)*

*Comments: Please provide a copy of the Schedule of Benefits that reflects all the potential variability in the form with a Statement of Variability.*

#### **Conclusion:**

*We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.*

*Thank you for your courtesy and consideration in this matter.*

*Sincerely,  
Janet Houser*

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

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## Objection Letter

Objection Letter Status	Info has been requested from company
Objection Letter Date	10/12/2017
Submitted Date	10/12/2017
Respond By Date	

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Dear Kevin Peake,

### **Introduction:**

The submission is *DISAPPROVED* and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

- 1.We are unable to reproduce the present value calculations in your Exhibit C projections. Please provide an Excel spreadsheet with working formulas to demonstrate your calculations. The Companyfs previous response dated September 21, 2017 indicated that an Excel spreadsheet was filed, but we were unable to locate the file gExhibits AJC&F Excel Format.xlsxh.
- 2.Regarding Objection Exhibit 3 (original assumptions and actual mix of business), rather than showing this information by duration, please recompute this exhibit by calendar year with the actual sales as they occurred so that this can be compared to the other inforce projections.
- 3.Please provide the active life reserve at the valuation date corresponding to each subset of the business for which a projection was provided.
- 4.Please provide additional details for the variations in rate increase percentages by age, inflation type, and any other factors by which the increase percentage varies.
- 5.Please provide the annual projection details corresponding to the response to our previous Objection 4, item 2.

### **Conclusion:**

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Janet Houser

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

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## Objection Letter

Objection Letter Status	Disapproved
Objection Letter Date	09/29/2017
Submitted Date	09/29/2017
Respond By Date	

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Dear Kevin Peake,

### **Introduction:**

The following is based on a review of the submitted policyholder notification letter, form number LS-0827 VA 09/17, and form LS-0828 ST 09/17.

Since the policyholder notification letter is required to be filed for review, it should be included under the "Form Schedule" section.

Based on the ACTUARIAL CERTIFICATION it appears that the company's intent is to file for additional rate increases regardless of how the experience develops. If that is correct, then pursuant to 14 VAC 5-200-75 A 2, the form should include an explanation of the potential for future premium rate revisions. Note that any references to future rate increases should clearly state that no premium increases will be implemented unless first filed and approved by the Virginia State Corporation Commission.

Pursuant to 14 VAC 5-200-75 D 2, the form is required to include a clear explanation of the options available to the policyholder as alternatives to paying the increased premium amount, including an offer to reduce policy benefits provided by the current coverage consistent with 14VAC5-200-183 and a disclosure stating that all options available to the policyholder may not be of equal value. Note that all disclosures should be emphasized (bold type, capital letters, larger print, etc.).

Pursuant to 14 VAC 5-200-75 D 3, the form should include a clear identification of the driving factors of the premium rate increase.

Please note that form LS-0828 ST 09/17 should also be filed for review and approval. Please revise this form in accordance with 14 VAC 5-100 et seq. Note, for example, that the form number is required to be in the lower left-hand corner of the form. This form should also be included in the "Form Schedule" section.

Regarding the statement of variability, please advise in what instances a policyholder will not be eligible for one of the options included in form LS-0828 ST 09/17.

Since there appear to be 5 options in form LS-0828 ST 09/17 and all appear to be variable, why are only 3 variable options listed in the statement of variability.

If an insured's premium is currently being waived because they are on claim, please advise how this will be handled? Will they be required to select an option at the time they are notified of the increase, at the time that they come of claim, etc.?

Pursuant to 14 VAC 5-200-75 D, an insurer is required to provide notice of an upcoming premium rate schedule increase to all policyholders at least 75 days prior to the implementation of the premium rate schedule increase. Please confirm that the company will comply with this requirement.

Please provide a copy of the schedule page in "John Doe" format that will be provided when the increase is implemented.

Please let me know if you have any questions.

Bob Grissom  
Chief Insurance Market Examiner  
Market Regulation

**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

Virginia Bureau of Insurance  
804-371-9152

**Conclusion:**

Sincerely,  
Bob Grissom

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

## Objection Letter

Objection Letter Status Disapproved  
Objection Letter Date 07/27/2017  
Submitted Date 07/27/2017  
Respond By Date

Dear Kevin Peake,

### Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

A preliminary review of the submitted filing indicates the following concerns and questions. We'll continue our review of the submitted filing upon receipt of the following information.

### Objection 1

- L&H Actuarial Memorandum (Supporting Document)
- Exhibit E.1 and E.2-LS0002 Rate Sheets, [Form LS-0002] (Rate)

Comments: The Actuarial Memorandum states this filing applies to form LS-0002, et al. The Affected form number in the Rate/Rule Schedule is Form LS-0002. Please revise the Affected Form Number column to list all form numbers exactly as approved that will be affected by this increase including any riders. Please update the memorandum accordingly to reflect the same information.

Please attach to Supporting Documentation an exhibit displaying the current rates for these plans.

The Rate/Rule Schedule indicates the overall percentage rate impact is 34% with a range of 1% to 90%. How does this correspond with the Requested Rate Increase information provided in Section 4 of the Actuarial Memorandum? Are there any policies that were not issued with a Guaranteed Purchase Option, 3% Compound or 5% Compound Inflation rider; and as a result, those policies would receive a zero increase?

### Objection 2

- L&H Actuarial Memorandum (Supporting Document)

Comments: According the Actuarial Memorandum, there is a small number of policies issued prior to the effective date of the rate stability regulation. The memorandum indicates all policies under this policy form will be considered subject to the rate stability regulation.

Because policies on or after October 1, 2003 are subject to the rate stabilization standards set forth in 14VAC5-200-153 and policies with issue dates prior to that date are subject to the loss ratio standards set forth in 14VAC5-200-150, the data should not be combined. Please provide exhibits for post stability block only illustrating experience and projections based on nationwide and Virginia only data and comply with the following:

Pursuant to 14VAC5-200-153 C 2, premium rate increases will be determined based on the sum of the accumulated value of incurred claims and present value of future projected incurred claims (without inclusion of active life reserves) will not be less than the sum of the following:

a. the accumulated value of the initial earned premium times 58%; b) 85% of the accumulated value of prior premium rate schedule increases on an earned basis; c) present value of future projected initial earned premium times 58%; and d) 85% of the present value of future projected premiums not included in subsection c of this subsection on an earned basis.



**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

All present and accumulated values should be used to determine rate increases shall use the maximum valuation interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia as set forth in 14VAC5-200-153-C 4.

### Objection 3

- L&H Actuarial Memorandum (Supporting Document)

Comments: According the actuarial certification, what increase would be needed to provide the required certification if the new business premium cap was not applied?

If this increase is approved and experience develops as anticipated, will the company forgo increases in the future? If not, what would trigger a rate increase in the future? In other words, what targeted loss ratio does the company plans to manage this block in the future?

### Objection 4

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the following:

1. Re-state the nationwide experience using Virginia approved rates.
- 2.. Provide a separate calculation of the Lifetime Loss Ratio so that the historical premium component is restated to what it would be if the proposed premium had been charged (collected) since the forms introduction.
3. Please provide an actual-to-expected analysis on each assumption, with expected on both original and current assumption basis.
4. Please provide a step-by-step quantification of the impact of the change in each assumption from the original assumptions to the current assumptions.
5. Please use the average maximum statutory valuation interest rate for each block of business to accumulate and discount cash flows.
6. Please provide sufficient detail or documentation provided so that any projections can be recreated. Please provide a copy of all projections in Excel with working formulas.
7. Advise in what states the company has requested rate increases on this block, how the rate changes requested in Virginia compare with those requested in other states, and the current status of the reviews in other states.
8. Please provide a loss ratio projection reflecting the actual historical experience during the historical experience period and then, utilizing the actual inforce as of the projection date, projecting forward the expected earned premiums and incurred claims using the original pricing assumptions for interest, mortality, morbidity and persistency into the future and assuming the future premiums are paid based on the original premium scale as if no increases had ever been implemented.
9. Please provide a loss ratio projection (both past and future) which reflects all of the original pricing assumptions for interest, mortality, morbidity, persistency and premium scale, but uses the actual distribution of policies as issued rather than the originally assumed mix of business.
10. Please provide the original targeted pricing loss ratio when the policy(ies) was originally approved.
11. Please provide a detailed explanation of the data sources and actuarial review performed in setting each assumption, including discussion of any adjustments made to reflect the company's unique business.

**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

12. Please provide the reserve basis and justification for the reserve levels provided.

13. Please explain what, if any, margins are included in the proposed rates to ensure that future rate increases will not be needed presuming the experience develops as projected including a demonstration that actual and projected costs exceed costs anticipated at the time of initial pricing under moderately adverse experience and that the composite margin is projected to be exhausted.

14. How does the company plan to comply with 14VAC5-200-153.G.1.

### Objection 5

- LTC Rate Increase Letter (Supporting Document)

Comments: Thank you for providing a copy of the LTC Rate Increase Letter. The Virginia State Corporation Commission adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at <http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748>.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. A summary of the new requirements are:

The notice is required to be filed with the commission at the time the premium rate increase is filed;

The insurer is required to provide the notice at least 75 days prior to the implementation of the premium rate schedule increase;

The notice is required to include at least the following information:

1. All applicable information identified in 14VAC5-200-75 including A 1 which requires a statement indicating the policy may be subject to future rate increases; A 2 which requires a statement that should there be future rate increases, options similar to those being offered now will be available and that benefits may be changed at any time and not just the time of a rate increase; A 3 which requires a statement indicating the premium rate or rate schedules that will be effect; A 4 a which requires a statement as to when the premium rate or rate schedule adjustments will be effective; and A 4 b which requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.

2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:

- a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
- b. A disclosure stating that all options available to the policyholder may not be of equal value. As a disclosure this information should be emphasized by bolding, highlighting, using larger text or some other method that will bring attention to it;
- c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections. As stated above, the information should be emphasized to bring attention to it; and
- d. Contact information that will allow the policyholder to contact the insurer for additional options available;

3. A clear identification of the driving factors of the premium rate increase; and

4. A statement substantially similar to the following:

The rate increase request was reviewed by Virginias State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and

**State:** Virginia  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Filing Company:** LifeSecure Insurance Company

may be accessed online through the Virginia Bureau of Insurance's webpage at [www.scc.virginia.gov/BOI](http://www.scc.virginia.gov/BOI).

Because the letter must be "filed", please attach the letter to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number in the lower left hand corner. Please ensure the full and proper corporate name of the insurer prominently appears in the letter. Please include a Statement of Variability, if applicable.

Please advise what communication will be provided if the insured is currently on waiver.

Please attach a copy of the Selection Form mentioned in the LTC Rate Increase Letter to Supporting Documentation. Is this form attached and made a part of the policy?

### Objection 6

Comments: Please explain how a policy is updated to reflect any benefit changes the insured may choose to reduce the effects of the rate increase. If the policy is revised or changed in any way, the policyowner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. If the company has such forms available for this purpose, please provide a copy of the form, the SERFF tracking number and date of approval. If the company does not have any available documents to effectuate such changes, a form will need to be submitted for review and approval. It can be attached to this filing if desired. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional nonforfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well as a readability certification in accordance with 14VAC5-110-60.

### Objection 7

- LTC Rate Increase Letter (Supporting Document)

Comments: The proposed policyholder letter includes the potential removal of riders as an option to reduce the impact of the rate increase. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?

### Objection 8

- L&H Actuarial Memorandum (Supporting Document)

Comments: In lieu of a single increase, the Bureau may approve a series of scheduled rate increases that are actuarially equivalent to the single amount requested by the insurer over the lifetime of the policy. The entire series would be approved at one time as part of the current increase filing. If the rate increase is approved in a series of scheduled rate increases and the sum of all scheduled rate increases would ultimately trigger the offering of the contingent benefit upon lapse, the insurer will be required to include contingent benefit upon lapse at the time of each scheduled increase. If the company is agreeable to this, what implementation schedule would be offered?

Please be aware that a policyholder notification would need to be sent at least 75 days prior to the effective date of the increase of each implementation. And as a result, a separate policyholder letter would be needed for each implementation or the one letter contain sufficient variability to be used at the time of each implementation.

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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

**Objection 9**

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Please amend the Rate Request Summary to include all form numbers for which this rate increase is applicable.

Also, please attach a brief narrative to summarize the key information used to develop the rate including the main drivers of the revised rates. Our expectation is that the narrative to be attached to the form would put into consumer friendly language a clear explanation of the justification for the rate increase. This should be fairly high level and not drill down deep into the details but at least explain to the consumer the assumptions and changes that are driving the need for an increase. Below is an example of such wording:

"Our rates are based on assumptions regarding persistency (how long the policy stays in force), mortality (at what rate deaths occur), and voluntary lapses (when an insured voluntarily terminates his policy). Actual results are much higher than anticipated when the policy was originally priced which means that individuals are living longer and keeping their policies in force longer which results in more claims incurred. As a result, premiums must be adjusted to ensure current and future claims are adequately funded.

**Conclusion:**

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,  
Janet Houser

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/24/2020
Submitted Date	07/24/2020

Dear Bobby Toone,

### **Introduction:**

Thank you for reviewing our filing. Please see our responses below.

### **Response 1**

#### **Comments:**

I have updated the VA website address in our rate increase letter. I have attached a highlighted copy on the supporting documentation tab for your convenience.

### **Related Objection 1**

Applies To:

- LTC Rate Increase Letter, LS-0827 VA 05/2020 (Form)

Comments: The Bureau's website has changed. Please used this updated version.

<https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>

### **Changed Items:**

No Supporting Documents changed.

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.24.2020.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.01.2020.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 07/18	OTH	Initial			LS-0827 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 09.17	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny

No Rate/Rule Schedule items changed.

## Response 2

### Comments:

I have corrected the typo in both the rate increase letter as well as the selection option form. I have also attached a highlighted copy of this form on the supporting documentation tab.

## Related Objection 2

Applies To:

- LTC Rate Increase Letter, LS-0827 VA 05/2020 (Form)
- LTC Selection Option Form, LS-0828 VA 05/2020 (Form)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Comments: It appears that the first phrase appearing in the second paragraph of the Limited Pay Option, If you elect this exercise this benefit should be revised to state, If you elect to exercise this benefit. This objection also applies to the same language appearing in form LS-0828 VA 05/2020.

**Changed Items:**

No Supporting Documents changed.

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.24.2020.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.01.2020.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 07/18	OTH	Initial			LS-0827 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 09.17	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 07.24.20.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 07.01.20.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny



State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.24.2020.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
<i>Previous Version</i>								
2	LTC Selection Option Form	LS-0828 VA 07-18	OTH	Initial			LS-0828 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
<i>Previous Version</i>								
2	LSI - LTC Rate Increase Notice	LS-0828 VA 09.17	OTH	Initial			LSI - LTC Rate Increase Notice LS-0828 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny

No Rate/Rule Schedule items changed.

### Response 3

#### Comments:

I have changed the form number of the Schedule of Benefits on the Forms Schedule tab in order to match what appears in the bottom left corner of the form.

### Related Objection 3

Applies To:

- Schedule of Benefits, LS-0051 VA 05-07 (Form)

Comments: Please note that Schedule of Benefits form number in the Form Schedule is inconsistent with that appearing in the form. Please be aware that the number appearing in the Form Schedule must mirror that appearing in the form including dashes, slashes and spacing. Please advise which form number is correct. If the form number appearing in the lower left-hand corner on the first page of the form is correct, please revise the Form Schedule to display the correct form number. If the Form Schedule is correct, please provide us with a revised form.

### Changed Items:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
Satisfied - Item:	Rate Increase Letter & Option Form highlighted
Comments:	
Attachment(s):	LTC Selection Option Form LS-0828 VA Highlighted 07.24.20.pdf LTC Rate Increase Letter LS-0827 VA Highlighted 07.24.2020.pdf

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.24.2020.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.01.2020.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 07/18	OTH	Initial			LS-0827 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 09.17	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 07.24.20.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 07.01.20.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.24.2020.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 07-18	OTH	Initial			LS-0828 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
2	LSI - LTC Rate Increase Notice	LS-0828 VA 09.17	OTH	Initial			LSI - LTC Rate Increase Notice LS-0828 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny
3	Schedule of Benefits	LS-0051 VA 05/07	SCH	Initial			LS-0051 VA 05-07 Schedule of Benefits 07.24.20.pdf	Date Submitted: 07/24/2020 By: Lynda Roberts
Previous Version								
3	Schedule of Benefits	LS-0051 VA 05-07	OTH	Initial			LS-0051 VA 05-07 Schedule of Benefits.pdf	Date Submitted: 05/14/2020 By: Diana Ulicny
Previous Version								
3	Schedule of Benefits	LS-0051 VA 05-07	OTH	Initial			LS-0051 VA 05-07 Schedule of Benefits.pdf	Date Submitted: 04/11/2019 By: Diana Ulicny

No Rate/Rule Schedule items changed.

**Conclusion:**

We hope these changes will allow you to continue your review. Please let me know if you have any questions. Thank you.

Sincerely,

Lynda Roberts

Sincerely,

Lynda Roberts

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/02/2020
Submitted Date	07/02/2020

Dear Bobby Toone,

**Introduction:**

Good Morning Bobby,

Thank you for reviewing our filing. Please see our responses below.

**Response 1**

**Comments:**

We verify that the letter will be sent out in time to ensure that the policyholder has a minimum of 75 days, once they receive the letter, before they are required to return it.

**Related Objection 1**

Applies To:

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: Please verify that the letter will be sent out in time to ensure that the policyholder has a minimum of 75 days, once they receive the letter, before they are required to return it; as required in 14VAC5-200-75 D.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 2**

**Comments:**

The Statement of Variability has been revised to completely explain every variable in the Premium Increase Option Selection Form as well as the Premium Increase Letter.

**Related Objection 2**

Applies To:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: 14VAC5-101-80 D requires that all variable text should be separately and completely explained in the Statement of Variability. Please revise the SOV to include a description of every item in the Premium Increase Option Selection Form that is bracketed.

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Statement of Variability Documents - Letter and Options Form 05.2020
<b>Comments:</b>	Please find attached the revised Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.
<b>Attachment(s):</b>	Statement of Variability - LTC Rate Increase Letter 07.01.20.pdf Statement of Variability - Selection Option Form 07.01.20.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability Documents - Letter and Form 05.2020</i>
<b>Comments:</b>	<i>Please find attached the Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>Statement of Variability - LTC Rate Increase Letter 05.2020.pdf Statement of Variability - Selection Option Form 05.2020.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability Documents - Letter and Form</i>
<b>Comments:</b>	<i>Please find attached the Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>Statement of Variability - LTC Rate Increase Letter.pdf Statement of Variability - Premium Increase Selection Option Form.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability 11-01-17</i>
<b>Comments:</b>	<i>Please find attached the updated Statement of Variability document.</i>
<b>Attachment(s):</b>	<i>Statement of Variability - VA.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 3

**Comments:**

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

The Policyholder Support phone number has been added to the Premium Increase Option Selection Form as well as the Premium Increase Letter. I have included redlines on the Supporting Documentation tab to show you the changes made to these forms.

### **Related Objection 3**

Applies To:

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: There is no contact information, except a fax number, available on the Option Selection form to allow a policyholder to contact the company if they have questions. Pursuant to 14VAC5-200-75 D 2(d), please add contact information to the Premium Increase Option Selection Form.

### **Changed Items:**

No Supporting Documents changed.

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.01.2020.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 07/18	OTH	Initial			LS-0827 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 09.17	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 07.01.20.pdf	Date Submitted: 07/02/2020 By: Lynda Roberts
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 07-18	OTH	Initial			LS-0828 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
2	LSI - LTC Rate Increase Notice	LS-0828 VA 09.17	OTH	Initial			LSI - LTC Rate Increase Notice LS-0828 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny



<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

No Rate/Rule Schedule items changed.

#### Response 4

##### Comments:

Our policyholders have the option to reduce their benefits at any point throughout the lifetime of the policy. This is pointed out to them at the time of the premium rate increase to ensure that they are aware of other ways they can mitigate the cost of the rate increase while still keeping some long term care coverage for the future. This does include reducing the 5% compound inflation protection rider to the 3% compound inflation protection rider, or removing either the 5% or the 3% compound inflation protection riders altogether. A statement has been added to Variable 1 that explains to the policyholder that there are other ways to reduce benefits than solely reducing the benefit bank amount. The option to reduce or remove the Compound Inflation Protection has been added to the Premium Increase Option Form and Letter.

#### Related Objection 4

Applies To:

- Schedule of Benefits, LS-0051 VA 05-07 (Form)
- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: Please explain if a policyholder will have the option to reduce or remove the Compound Inflation Protection, as shown in the Schedule of Benefits, in the event of a premium increase. If so, please add this to the Premium Increase Option Selection Form.

#### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Response 5

##### Comments:

We have revised Variables 2a (Standard Option) and 3 (Lapse Protection Benefit) to comply with the regulation by removing the statement, "The revised Benefit Bank is reduced by the sum of all benefits previously paid to You." Redlines have been added to the Supporting Documentation tab.

#### Related Objection 5

Applies To:

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: 14VAC5-200-185 E 3 requires that the standard non-forfeiture credit shall be equal to 100% of all premiums paid, including any premiums paid prior to any changes in benefits. Please revise Variables 2a (Standard Option) and 3 (Lapse Protection Benefit) to comply with the regulation.

#### Changed Items:

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

We hope these changes will allow you to continue your review. Please let me know if you have any questions.

Sincerely,

Lynda Roberts  
Compliance Analyst  
Sincerely,  
Lynda Roberts

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/18/2020
Submitted Date	05/18/2020

Dear Bobby Toone,

### Introduction:

Good afternoon Bobby,

### Response 1

#### Comments:

The above-referenced documents have been moved under the Form/Schedule tab.

### Related Objection 1

Applies To:

- LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020 (Supporting Document)

Comments: Please move the revised Rate Increase Letter and the Premium Increase Selection Option Form to the Form Schedule.

### Changed Items:

No Supporting Documents changed.

State: Virginia Filing Company: LifeSecure Insurance Company  
 TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified  
 Product Name: Individual LTC 1.0 Rate Increase  
 Project Name/Number: Individual LTC 1.0 Rate Increase/

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 07/18	OTH	Initial			LS-0827 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
1	LTC Rate Increase Letter	LS-0827 VA 09.17	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny
2	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 05.2020.pdf	Date Submitted: 05/18/2020 By: Diana Ulicny
Previous Version								
2	LTC Selection Option Form	LS-0828 VA 07-18	OTH	Initial			LS-0828 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
Previous Version								
2	LSI - LTC Rate Increase Notice	LS-0828 VA 09.17	OTH	Initial			LSI - LTC Rate Increase Notice LS-0828 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny

No Rate/Rule Schedule items changed.

**Conclusion:**

Have a great day!

Sincerely,

Diana Ulicny  
 Senior Compliance Analyst

Sincerely,

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/14/2020
Submitted Date	05/14/2020

Dear Bobby Toone,

**Introduction:**

Good afternoon Bobby,

It was a pleasure speaking with the both of you. Thank you for your time.

### Response 1

**Comments:**

Please find attached the LTC Rate Request Summary.

### Related Objection 1

Applies To:

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: The Long-Term Care Rate Request Summary has changed. Please use the revised form, found at <http://www.scc.virginia.gov/boi/co/health/ltcforms.aspx>.

### Changed Items:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	Attached please find the Long Term Care Insurance Rate Request Summary.
<b>Attachment(s):</b>	ltcratereq_sum.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	<i>Attached please find the Long Term Care Insurance Rate Request Summary which includes the requested page 2.</i>
<b>Attachment(s):</b>	<i>LTC Insurance Rate Request Summary.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Long Term Care Insurance Rate Request Summary</i>
<b>Comments:</b>	<i>Attached please find the Long Term Care Insurance Rate Request Summary.</i>
<b>Attachment(s):</b>	<i>Long Term Care Insurance Rate Request Summary Part 1 Final.pdf</i>

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Conclusion:**

*Have a wonderful day!*

*Sincerely,*

*Diana Ulicny*  
*Senior Compliance Analyst*

*Sincerely,*  
*Diana Ulicny*

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/14/2020
Submitted Date	05/14/2020

Dear Bobby Toone,

### Introduction:

Good afternoon,

### Response 1

#### Comments:

The Schedule of Benefits has been updated to include the correct logo. The term "secured" has been removed. Per our phone conversation, the language on the Selection Option Form has been added to the policyholder letter. Also, the Statement of Variability for the letter and the form have been updated. Other changes discussed on our call regarding the letter and form have also been completed.

### Related Objection 1

Applies To:

- LTC Rate Increase Letter, LS-0827 VA 07/18 (Form)
- LTC Selection Option Form, LS-0828 VA 07-18 (Form)
- Schedule of Benefits, LS-0051 VA 05-07 (Form)

Comments: 1. We observed that the logo for the Schedule of Benefits is different than the logo on the other forms. The bureau feels this could potentially be misleading to a policyholder. Please revise the logos so they are consistent throughout the forms.

2. In the Selection Option Form, please explain the meaning of a "secured fax".

3. Pursuant to 14VAC5-200-75 D 2, please include a description of each of the options available to a policyholder, that are in the Selection Option Form, in the Policyholder Letter.

### Changed Items:



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form. Per our phone conversation, I have added the information from the Selection Option Form and the information to the letter.
<b>Attachment(s):</b>	LTC Selection Option Form LS-0828 VA 05.2020.pdf LTC Rate Increase Letter LS-0827 VA 05.2020.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Premium Increase Selection Option Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-19 John Doe.pdf Premium Increase Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Selection Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.  09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form. Per our phone conversation, I have added the information from the Selection Option Form and the information to the letter.
<b>Attachment(s):</b>	LTC Selection Option Form LS-0828 VA 05.2020.pdf LTC Rate Increase Letter LS-0827 VA 05.2020.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Premium Increase Selection Option Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-19 John Doe.pdf Premium Increase Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Selection Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.  09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>
<b>Satisfied - Item:</b>	Schedule of Benefits with Logo
<b>Comments:</b>	Please find attached the Schedule of Benefits with the correct logo.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

<b>Attachment(s):</b>	LS-0051 VA 05-07 Schedule of Benefits.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits 07/16/18</i>
<b>Comments:</b>	<i>Please find attached the Schedule of Benefits which includes all the potential variability.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits 11-01-17</i>
<b>Comments:</b>	<i>11/01/17 Please find attached the Schedule of Benefits in a John Doe format when the increase is implemented.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits</i>
<b>Comments:</b>	<i>Please find attached the Schedule of Benefits previously approved reference in Objection 6.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits.pdf</i>

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form. Per our phone conversation, I have added the information from the Selection Option Form and the information to the letter.
<b>Attachment(s):</b>	LTC Selection Option Form LS-0828 VA 05.2020.pdf LTC Rate Increase Letter LS-0827 VA 05.2020.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Premium Increase Selection Option Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-19 John Doe.pdf Premium Increase Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Selection Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.  09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>
<b>Satisfied - Item:</b>	Schedule of Benefits with Logo
<b>Comments:</b>	Please find attached the Schedule of Benefits with the correct logo.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

<b>Attachment(s):</b>	LS-0051 VA 05-07 Schedule of Benefits.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits 07/16/18</i>
<b>Comments:</b>	<i>Please find attached the Schedule of Benefits which includes all the potential variability.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits 11-01-17</i>
<b>Comments:</b>	<i>11/01/17 Please find attached the Schedule of Benefits in a John Doe format when the increase is implemented.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits</i>
<b>Comments:</b>	<i>Please find attached the Schedule of Benefits previously approved reference in Objection 6.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits.pdf</i>

<b>Satisfied - Item:</b>	Statement of Variability Documents - Letter and Form 05.2020
<b>Comments:</b>	Please find attached the Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.
<b>Attachment(s):</b>	Statement of Variability - LTC Rate Increase Letter 05.2020.pdf Statement of Variability - Selection Option Form 05.2020.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability Documents - Letter and Form</i>
<b>Comments:</b>	<i>Please find attached the Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>Statement of Variability - LTC Rate Increase Letter.pdf</i> <i>Statement of Variability - Premium Increase Selection Option Form.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability 11-01-17</i>
<b>Comments:</b>	<i>Please find attached the updated Statement of Variability document.</i>
<b>Attachment(s):</b>	<i>Statement of Variability - VA.pdf</i>

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	Schedule of Benefits	LS-0051 VA 05-07	OTH	Initial			LS-0051 VA 05-07 Schedule of Benefits.pdf	Date Submitted: 05/14/2020 By: Diana Ulicny
<i>Previous Version</i>								
1	<i>Schedule of Benefits</i>	<i>LS-0051 VA 05-07</i>	<i>OTH</i>	<i>Initial</i>			<i>LS-0051 VA 05-07 Schedule of Benefits.pdf</i>	<i>Date Submitted: 04/11/2019 By: Diana Ulicny</i>

No Rate/Rule Schedule items changed.

## Response 2

### Comments:

I ensured all text is in at least the 10-point font size.

## Related Objection 2

Applies To:

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: The non-bolded print in the Selection Option Form does not comply with 14VAC5-101-70 E, which requires that any form submitted for review or approval should be printed in at least 10-point font size.

### Changed Items:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form. Per our phone conversation, I have added the information from the Selection Option Form and the information to the letter.
<b>Attachment(s):</b>	LTC Selection Option Form LS-0828 VA 05.2020.pdf LTC Rate Increase Letter LS-0827 VA 05.2020.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Premium Increase Selection Option Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-19 John Doe.pdf Premium Increase Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Selection Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.  09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

**Conclusion:**

Thank you again for your assistance with this filing.

Have a great day!

Diana Ulicnh

Sincerely,

Diana Ulicny



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**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	05/14/2020
Submitted Date	05/14/2020

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Dear Bobby Toone,

**Introduction:**

Good afternoon Bobby,

I have submitted the Policyholder Letter and Selection Option Form with changes we discussed on the phone under the objection dated 05.05.2020. With our plan being you were going review the documents and provide further instructions in a new objection, I will close this objection.

**Response 1**

**Comments:**

\*\*\*

**Related Objection 1**

Applies To:

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: The narrative included in the Rate Request Summary is expected to be read by policyholders who may be in their 70's and/or 80's, with little or no insurance experience or knowledge. Please revise the narrative to make it more understandable for the insurance public.

The second paragraph of the Rate Increase Letter is a good example.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Again, thank you for your time and clear instructions, it has been extremely helpful!

Sincerely,

Diana Ulicny

Sincerely,

Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	02/21/2020
Submitted Date	02/21/2020

Dear Bobby Toone,

### Introduction:

Good afternoon,

### Response 1

#### Comments:

The Limited pay option is administered just like the standard option for the contingent non-forfeiture benefits, but only applicable for eligible policies. The policy will be converted to a policy with a paid-up status with a lesser benefit bank. The three examples below demonstrate how this is calculated.

Policy A: 10 Pay policy, paid 6 years of premiums, 400,000 purchased benefit bank, 4,000 monthly benefit access limit, no claims paid

New Benefit Bank amount:  $0.9 \times (72/120) \times (400,000) = 216,000$

New Monthly Benefit Access Limit:  $0.9 \times (72/120) \times (4,000) = 2,160$

Policy A becomes paid up with a new benefit bank of 216,000 and a monthly benefit access limit of 2,160.

Policy B: 10 Pay policy, paid 4.5 years of premiums, 350,000 purchased benefit bank, 7,000 monthly benefit access limit, no claims paid

New Benefit Bank amount:  $0.9 \times (54/120) \times (350,000) = 141,750$

New Monthly Benefit Access Limit:  $0.9 \times (54/120) \times (7,000) = 2,835$

Policy B becomes paid up with a new benefit bank of 141,750 and a monthly benefit access limit of 2,835.

Policy C: Pay-to-65 policy, paid 5 years of premiums, current age is 55, 500,000 purchased benefit bank, 5,000 monthly benefit access limit, no claims paid

New Benefit Bank amount:  $0.9 \times (60/180) \times (500,000) = 150,000$

New Monthly Benefit Access Limit:  $0.9 \times (60/180) \times (5,000) = 1,500$

Policy B becomes paid up with a new benefit bank of 150,000 and a monthly benefit access limit of 1,500.

### Related Objection 1

Applies To:

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: We have some questions about Variable 2b: Limited Pay Option. Please explain how this option would be administered and provide 3 examples.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Requested Information 01/22/2020
<b>Comments:</b>	Please find attached the requested information.
<b>Attachment(s):</b>	Virginia Objection 8 Response.pdf

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Response 2**

**Comments:**

*Due to this block of business having both lifetime pay and limited pay policies, the Standard Option (Variable 2a) would not necessarily be chosen automatically if the policy lapsed anytime within 120 days of the effective date of the rate increase. The policy would also have to be a lifetime pay policy that qualified for the Contingent Non-Forfeiture Benefit under the eligibility requirements laid out in the Virginia regulation 14 VAC 5-200-185. If the policy was a limited pay policy that was eligible for the Contingent Non-Forfeiture Benefit, then they the Limited Pay Option (Variable 2b) would automatically be chosen for them if they lapsed within 120 days of the effective date of the rate increase.*

*Because of the triggers and qualifications that need to be met for which option would be applied to the policy, we have not changed the Selection Option Form. However, if you would still like us to add additional clarification to this section on the form, we will be happy to do that.*

**Related Objection 2**

*Applies To:*

*- LTC Selection Option Form, LS-0828 VA 07-18 (Form)*

*Comments: Please state whether Variable 2a: Standard Option is automatically chosen if the policy lapses anytime within 120 days of the due date of the new, increased premium. If so, please revise the Selection Option Form to reflect that.*

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Requested Information 01/22/2020
<b>Comments:</b>	Please find attached the requested information.
<b>Attachment(s):</b>	Virginia Objection 8 Response.pdf

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Thank you in advance for your assistance with this filing.

Sincerely,

Diana Ulicny  
Senior Compliance Analyst  
810-220-4613  
dulicny@yourlifefsecure.com

Sincerely,  
Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/18/2019
Submitted Date	07/18/2019

Dear Bobby Toone,

### Introduction:

Good afternoon,

### Response 1

#### Comments:

Please find attached the Certificate of Compliance with the language from the above referenced requirement.

### Related Objection 1

Applies To:

- Certification of Compliance (Supporting Document)

Comments: Thank you for providing us with the certification of compliance; however, the certification attests to compliance with the laws and regulations of the state of Iowa. Please revise the certification of compliance for compliance with the laws and regulations of Virginia. Please review 14 VAC 5-100-40 3 for specific language requirements.

### Changed Items:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	Please find attached the Certificate of Compliance.
<b>Attachment(s):</b>	Certificate of Compliance 07-17-19.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Certification of Compliance</i>
<b>Comments:</b>	<i>Please find attached the Certificate of Compliance.</i>
<b>Attachment(s):</b>	<i>Certificate of Compliance.pdf</i>
<i>Previous Version</i>	
<b>Bypassed - Item:</b>	<i>Certification of Compliance</i>
<b>Bypass Reason:</b>	<i>NA. This is a rate filing only.</i>
<b>Attachment(s):</b>	

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 2**

**Comments:**

Please find attached Readability Compliance Certifications for the letter and the form.

**Related Objection 2**

Applies To:

- LTC Rate Increase Letter Readability Certification (Supporting Document)

Comments: Please provide us with a certification of readability specific to form numbers LS-0827 VA 07/18 and LS-0828 VA 07-18. 14 VAC 5-110-60 requires that the certification of readability state the number of words, syllables, and sentences contained in the forms. Also, please review the regulation for required certification language.

**Changed Items:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Readability Compliance Certifications - Letter and Form
<b>Comments:</b>	Please find attached the Readability Compliance Certifications for the LTC Rate Increase Letter and the Premium Increase Selection Form.
<b>Attachment(s):</b>	Readability Compliance Certification-LTC Rate Increase Letter.pdf Readability Compliance Certification-PI Selection Option Form.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter Readability Certification</i>
<b>Comments:</b>	<i>Please find attached Readability Certification. This document is referenced in our response to Objection 6.</i>
<b>Attachment(s):</b>	<i>Rate Increase Letter Readability Certification.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 3

#### Comments:

Please find attached State of Variability documents for the letter and the form.

### Related Objection 3

Applies To:

- Statement of Variability 11-01-17 (Supporting Document)
- LTC Rate Increase Letter, LS-0827 VA 07/18 (Form)
- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: Please provide us with a statement of variability for forms LS-0827 VA 07/18 and LS-0828 VA 07-18.

### Changed Items:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Statement of Variability Documents - Letter and Form
<b>Comments:</b>	Please find attached the Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.
<b>Attachment(s):</b>	Statement of Variability - LTC Rate Increase Letter.pdf Statement of Variability - Premium Increase Selection Option Form.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Statement of Variability 11-01-17</i>
<b>Comments:</b>	<i>Please find attached the updated Statement of Variability document.</i>
<b>Attachment(s):</b>	<i>Statement of Variability - VA.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Response 4

##### Comments:

References in the letter to the form have been change to read "Premium Increase Selection Option Form." Also, updated references to the form elsewhere in the filing to read the same.

#### Related Objection 4

Applies To:

- LTC Rate Increase Letter, LS-0827 VA 07/18 (Form)

Comments: The form references the enclosed Selection Option Form. In order to avoid confusion, the form should reference the full name of the option form, Premium Increase Selection Option Form.

##### Changed Items:



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Premium Increase Selection Option Form
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA 07-19 John Doe.pdf Premium Increase Selection Option Form LS-0828 VA 07-18 John Doe.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter and Selection Form</i>
<b>Comments:</b>	<i>Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter. 09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 5

### Comments:

The text used in the form is type size 11 point.

## Related Objection 5

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

*Applies To:*

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

*Comments: All text appearing in the form must be a type size of at least 10 point.*

**Changed Items:**

*No Supporting Documents changed.*

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Response 6**

**Comments:**

*Yes.*

**Related Objection 6**

*Applies To:*

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

*Comments: The Lapse Protection Benefit imposes a three-year waiting period. Has the waiting period been satisfied if the benefit appears in the option form?*

**Changed Items:**

*No Supporting Documents changed.*

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Response 7**

**Comments:**

*LifeSecure will be providing updated Schedule of Benefits to all policyholders affected by the rate increase to become part of the contract. The Premium Increase Selection Option Form and the LTC Rate Increase Letter will be scanned and become part of their file.*

**Related Objection 7**

*Applies To:*

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

*Comments: Please advise if form LS-0828 VA 07/18 will be attached to the policy and become part of the entire contract.*

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 8**

**Comments:**

LifeSecure will provide the contingent benefits upon lapse applying the requirements referenced above.

**Related Objection 8**

Applies To:

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: With respect to contingent benefits upon lapse, requirements set forth in 14 VAC 5-200-185 D were revised effective 9/1/15. Please advise how the contingent benefits upon lapse are satisfying the revised requirements.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Thank you in advance for your assistance.

Sincerely,

Diana Ulicny  
810-220-4613  
dulicny@outlook.com

Sincerely,  
Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	04/11/2019
Submitted Date	04/11/2019

Dear Bobby Toone,

### Introduction:

Good afternoon Mr. Toone,

### Response 1

#### Comments:

Please find the response to this objection in the document Objection Response 04-08-19 under the Supporting Documentation tab.

### Related Objection 1

Applies To:

- Exhibit E.1 and E.2-LS0002 Rate Sheets, [LS-0002 VA 07/07] (Rate)
- L&H Actuarial Memorandum (Supporting Document)

Comments: Please explain why the Rate/Rule Schedule lists only form LS-0002 VA 07/07, while the Actuarial Memorandum says Form LS-0002, et al. Are there additional form involved in this filing? If so, please add them to the Affected Forms section and submit any rates associated with them for approval.

### Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 04-08-19
Comments:	
Attachment(s):	Virginia Objection Response 04-08-19.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 2

#### Comments:

Please find the response to this objection in the document Objection Response 04-08-19 under the Supporting Documentation tab.

### Related Objection 2

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

*Applies To:*

- Exhibit E.1 and E.2-LS0002 Rate Sheets, [LS-0002 VA 07/07] (Rate)
- L&H Actuarial Memorandum (Supporting Document)

*Comments: In addition to LS-0002 VA 07/07, there are the following forms listed in the 2017 Annual Rate Report: LS-0052 VA 05/07, LS-0051 VA 05/07, LS-0100A VA 05/07, LS-0101 ST 05/07, and LS-0202A VA 07/07.*

*Please describe the relationship these forms have with LS-0002 VA 0707.*

### **Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 04-08-19
<b>Comments:</b>	
<b>Attachment(s):</b>	Virginia Objection Response 04-08-19.pdf

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

### **Response 3**

#### **Comments:**

*Please find the response to this objection in the document Objection Response 04-08-19 under the Supporting Documentation tab.*

### **Related Objection 3**

*Applies To:*

- L&H Actuarial Memorandum (Supporting Document)

*Comments: Please provide the current nationwide cumulative increase to date.*

### **Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 04-08-19
<b>Comments:</b>	
<b>Attachment(s):</b>	Virginia Objection Response 04-08-19.pdf

*No Form Schedule items changed.*

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

No Rate/Rule Schedule items changed.

#### Response 4

##### Comments:

Please find the response to this objection in the document Objection Response 04-08-19 under the Supporting Documentation tab.

#### Related Objection 4

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide the nationwide cumulative increase if all increases filed were approved.

#### Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Objection Response 04-08-19
Comments:	
Attachment(s):	Virginia Objection Response 04-08-19.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Response 5

##### Comments:

The Schedule of Benefits has been moved to the Form Schedule tab.

#### Related Objection 5

Applies To:

- Schedule of Benefits 07/16/18 (Supporting Document)

Comments: Please move the Schedule of Benefits from Supporting Documentation to the Form Schedule.

#### Changed Items:

No Supporting Documents changed.

No Rate/Rule Schedule items changed.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

**Conclusion:**

Thank you in advance for your assistance.

Sincerely,

Diana Ulicny  
Compliance Analyst  
810-220-4613  
compliance@yourlifefsecure.com

Sincerely,  
Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	02/27/2019
Submitted Date	02/27/2019

Dear Bobby Toone,

### Introduction:

Good afternoon,

### Response 1

#### Comments:

The LTC Selection Form (and letter) meets this requirement, the font size is 11 point.

### Related Objection 1

Applies To:

- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: 14VAC5-100-50.5 requires that any individual accident and sickness form must be printed using a type size of at least 10 point. Please revise this document to meet this requirement.

### Changed Items:



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Selection Form
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 2

### Comments:

Please find attached under the Supporting Documentation tab both the letter and selection form in the John Doe fashion.

## Related Objection 2

Applies To:

- LTC Rate Increase Letter (Supporting Document)
- LTC Selection Option Form, LS-0828 VA 07-18 (Form)

Comments: To be in compliance with 14VAC5-100-50.3, please submit a copy of each of the above indicated forms, sufficiently completed in "John Doe" fashion to indicate how it is to be used.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Selection Form
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and the Selection Form in John Doe form.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA 07-18 John Doe.pdf LTC Selection Option Form LS-0828 VA 07-18 John Doe.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 3

#### Comments:

The policyholders will be given a minimum of 75 days notice prior to the implementation of the premium increase.

### Related Objection 3

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: 14VAC5-200-75 D requires that policyholders be given at least 75 days notice of an upcoming premium increase. Please verify that policyholders will be given a minimum of 75 days notice prior to the implementation of this premium increase.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Thank you in advance for your assistance.

Sincerely,  
Diana Ulicny  
Compliance Analyst  
810-220-4613  
compliance@yourlifesecond.com

Sincerely,  
Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	10/08/2018
Submitted Date	10/08/2018

Dear Bobby Toone,

**Introduction:**

Dear Mr. Smith,

I hope all is well with you.

**Response 1**

**Comments:**

See the PDF named VA Revised Actuarial Memorandum 2018.10.08.pdf for an updated actuarial memorandum.

**Related Objection 1**

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please provide an actuarial certification as required by 14VAC5-200-153 B.2 in the Actuarial Memo.

**Changed Items:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the revised Actuarial Memorandum dated 2018.10.08.
<b>Attachment(s):</b>	VA Revised Actuarial Memorandum 2018.10.08.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the revised Actuarial Memorandum dated 2018.9.13.</i>
<b>Attachment(s):</b>	<i>VA Revised Actuarial Memorandum 2018.09.13.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf ACM Virginia_Revised.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf</i>

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the revised Actuarial Memorandum dated 2018.10.08.
<b>Attachment(s):</b>	VA Revised Actuarial Memorandum 2018.10.08.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the revised Actuarial Memorandum dated 2018.9.13.</i>
<b>Attachment(s):</b>	<i>VA Revised Actuarial Memorandum 2018.09.13.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf ACM Virginia_Revised.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf</i>

<b>Satisfied - Item:</b>	Objection Response 09-28-18
<b>Comments:</b>	Please find attached the response to the objection dated 09-28-18.
<b>Attachment(s):</b>	Virginia Objection Response 09-28-18.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

We trust this explanation will assist you in your continued review.

Sincerely,

Diana Ulicny  
Compliance Analyst  
810-220-4613  
dulicny@yourlifesecond.com

Sincerely,  
Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/13/2018
Submitted Date	09/13/2018

Dear Bobby Toone,

### Introduction:

Good afternoon Mr. Smith,

### Response 1

#### Comments:

Please find attached the revised Actuarial Memorandum dated 2018.09.13.

### Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please submit an updated actuarial memorandum reflecting the increase request as revised on 7/16/2018.

### Changed Items:



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the revised Actuarial Memorandum dated 2018.9.13.
<b>Attachment(s):</b>	VA Revised Actuarial Memorandum 2018.09.13.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf ACM Virginia_Revised.pdf</i>
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 2

### Comments:

The original request was capped by the product that was being marketed and sold by LifeSecure at the time of the original filing. Since that time, LifeSecure has closed that block of business and has a new product being marketed with higher rates. The revised request is simply changing which product is being used as the cap. However, due to the Bureaus requirement that the projections made under 14VAC5-200-153.C.2 utilize the original pricing loss ratio if higher than the stipulated 58% or 85% in the 58%/85% tests, the resulting rate increases revised for the previous objection of 22.4% for GPO policies, 38.2% for 3% compound inflation policies, and 54.2% for 5% compound inflation policies, do not result in higher rates than the currently marketed new business rates. Thus, Virginia does not have any policies that require a capped rate increase at the requested rate level.

## Related Objection 2

Comments: The original request was capped so as not to exceed currently marketed premiums, but the revised request does not appear to be capped. Please explain.

## Changed Items:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Objection Response 08-23-18
<b>Comments:</b>	Please see attached response to the objection dated 08-23-18.
<b>Attachment(s):</b>	Virginia Objection Response 08-23-18.pdf

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Conclusion:**

*We trust this explanation will assist you in your continued review.*

*Have a nice day!*

*Sincerely,*

*Diana Ulicny  
Compliance Analyst  
810-220-4613  
dulicny@yourlifesecond.com*

*Sincerely,  
Diana Ulicny*

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	07/16/2018
Submitted Date	07/16/2018

Dear Bobby Toone,

**Introduction:**

Good afternoon Mr. Smith,

Please find responses to the objection listed below and summarized in a document titled Virginia Objection Response attached under the Supporting Documentation Tab. I have also included the policy which this reinstatement application will be used for.

**Response 1**

**Comments:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

1. The following scenarios were used to determine the IRR trigger:

- Morbidity increase of 10%
- Ultimate lapse ½ those used in pricing
- Mortality decline by 20%
- Investment rate that declined by 100 bps

If we ignore the IRR impact and focus on the assumptions themselves, the following shows the average impact of moving to the current assumptions:

- Morbidity increased 31%
- Ultimate lapse is 8532; those used in pricing
- Mortality declined 10%
- Investment rate not considered

The morbidity factor alone meets the trigger. Combining this with the lapse and mortality changes would only exceed the trigger even further.

2. See Attachments 1a 1d in the file Virginia Objection 3 Attachments.pdf.

3. The implementation date for any approved rate increases was assumed in the filing to be 10/1/2017. Since it is currently mid-2018, LifeSecure is revising the assumed implementation date to be 12/1/2018 in order to be more accurate with the required rate increase. This is intended to assist in preventing the need for additional rate increases in the future due to this time difference. Attachments 2a 2d and 3a 3d in the file Virginia Objection 3 Attachments.pdf show the revised lifetime loss ratio exhibits without rate increase and with rate increase, respectively, for the updated implementation date and new business rate cap. The rate increases are still split by benefit inflation option and are limited such that they comply with 14VAC5-200-153.C.2 as requested.

Attachment 1 shows the lifetime loss ratio exhibits by calendar year split by benefit inflation option using original pricing assumptions with actual business mix. Using the higher of those lifetime loss ratios and 58% in the tests, the rate increases that can be requested are 22.4% for GPO policies, 38.2% for 3% compound inflation policies, and 54.2% for 5% compound inflation policies. The passing tests for these rate increases are shown in Attachments 4a 4d in the file Virginia Objection 3 Attachments.pdf. These are LifeSecures alternative rate increase requests.

4. The block of business that this rate increase is being requested on is a relatively young block with policies being issued between November 2006 and July 2015. As of today, the inforce policies have an average attained age of just under 59 years old and an average policy duration of approximately 4.8 years. For Long Term Care, since claims typically occur at higher attained ages and in higher durations, this does not allow for our historical experience to be a good indicator of the future experience. Therefore, LifeSecure has relied on the Milliman Guidelines to set the future assumptions based on a much more credible set of industry-wide data.

#### **Related Objection 1**

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Comments: 1. Virginia law does not recognize a change in the IRR of distributable earnings as a trigger for a rate increase request. Please modify the Companys actuarial documentation as needed.

2. The Bureau is still in need of a lifetime projection of business using all original assumptions and actual mix of business, showing this information by calendar year with the actual sales as they occurred so that this can be compared to the other inforce projections. This could be accomplished by running the inforce projection model with the same policy cohorts as in the Exhibit C projections, but using the original premium scale for all years and all of the original assumptions for morbidity, mortality, and lapse from issue rather than the actual experience. These projections should be provided separately for GPO, 3% and 5% business.

3. The Bureau requires that projections made under 14VAC5-200-153.C.2. utilize the original pricing loss ratio (calculated at the same interest rate used in the testing) if higher than the stipulated 58% or 85%. In the Companys September 21, 2017 response, the original lifetime loss ratios are presented in Objection Exhibit 3. Using this data and the discount rate of 3.7%, the corresponding pricing loss ratios are 52.9%, 61.5%, and 79.6% for GPO, 3% and 5%, respectively. It appears that the 5% policies are not in compliance with a 79.6%/85% test. Please provide an alternative rate increase request for this block of policies which will comply.

4. From the chart provided in your September 21, 2017 response to Objection 4.4., the primary drivers of the need for a rate increase are lapse and morbidity. However, the actual-to-expected results for both claim costs and total terminations are favorable to the Company (i.e., less than 100% for claims and greater than 100% for terminations). This would imply that the entirety of the need for a rate increase is based on assumption of future experience that are worse than anticipated while past experience was better than anticipated. Please justify basing this increase request solely on a change in anticipated industry experience which has not been exhibited by the Company.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection 3 Attachments 07/16/18
<b>Comments:</b>	Please find attached the Virginia Objection 3 Attachments.
<b>Attachment(s):</b>	Virginia Objection 3 Attachments.pdf

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection 3 Attachments 07/16/18
<b>Comments:</b>	Please find attached the Virginia Objection 3 Attachments.
<b>Attachment(s):</b>	Virginia Objection 3 Attachments.pdf

<b>Satisfied - Item:</b>	LS-0002 VA 07/07 Policy
<b>Comments:</b>	Please find attached the VA policy previously approved for your reference.
<b>Attachment(s):</b>	LS-0002 VA 07-07.pdf

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection 3 Attachments 07/16/18
<b>Comments:</b>	Please find attached the Virginia Objection 3 Attachments.
<b>Attachment(s):</b>	Virginia Objection 3 Attachments.pdf
<b>Satisfied - Item:</b>	LS-0002 VA 07/07 Policy
<b>Comments:</b>	Please find attached the VA policy previously approved for your reference.
<b>Attachment(s):</b>	LS-0002 VA 07-07.pdf
<b>Satisfied - Item:</b>	Objection Response 07-16-18
<b>Comments:</b>	
<b>Attachment(s):</b>	Virginia Objection Response 07-16-18.pdf

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

## Response 2

**Comments:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

1. LifeSecure Insurance Company has been added.
2. The generic language has been revised to, was filed and approved by Virginia State Corporation Commission. Paragraph 2
3. If an insured is on Waiver of Premium, the rate increase would not go into effect until such time they are removed from waiver and changed to an active premium paying status. If we provide them with the Selection Option Form with the options available as of the date of the letter (while they are still on Waiver of Premium), the options that would be shown will not be correct since they will continue to use funds from their Benefit Bank and if they have Inflation Protection, the Benefit Bank amount shown will not reflect the amount they would have accumulated at the time they go back to active premium paying status. Also, as you are aware, industry trends show many individuals who go on claim for long term care either remain on claim until the benefits are exhausted or the insured passes away. Our intent at not providing them the Selection Option Form while they are on Waiver of Premium is to not confuse them since we are telling them they are not affected at this time.  
We have also revised the language in the letter: If you are currently on Waiver of Premium, you will not be affected by this rate increase at this time. If your Policy returns to active premium paying status, you will receive a new notification letter which will also include a Selection Option Form outlining the options that are available to you at that time.  
Paragraph 5
4. Language has been added to Paragraph 2 to meet this requirement.
5. Certification of Compliance is attached under the Supporting Documentation tab.
6. The brackets have been removed. Paragraph 9
7. Policyholders can reduce their benefits from the 5% compound inflation rider to the 3% compound inflation rider in order to help mitigate the rate increase if they want. However, LifeSecure has not created landing spots with different percentages of inflation for the policyholders.
8. We did not add the statement that they have the right to request a new rate or rate schedule since they will receive a new Schedule of Benefits showing the new premium once the rate increase goes into effect or showing the changes made if they choose to drop or change their inflation protection or select another option on the Selection Option Form. Paragraph 6 includes the sentence, You will receive an updated Schedule of Benefits which should be retained with your policy.
9. Yes, the Company is willing to implement the actuarially equivalent rate increase phased over a set number of years. If a phased rate increase is approved, LifeSecure will update and send a revised policyholder letter and Selection Option Form each year prior to the effective date of the increase.

## **Related Objection 2**

Applies To:

- LTC Rate Increase Letter, LS-0827 VA 09.17 (Form)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Comments: Please address the following concerns with the letter:

- 1) Please refer to the company using its full and proper name, LifeSecure Insurance Company, in the third sentence of the first paragraph of the letter.
- 2) Our objection indicating that any references to future rate increases should clearly state that no premium increases will be implemented unless first filed and approved by the Virginia State Corporation Commission has not been resolved by stating such increases would be in accordance with the requirements of the state in which your policy was issued. Since this form is specific to Virginia, we again request the language be amended as requested.
- 3) According to your response, the LTC Rate Increase Notice will not be included with the policyholder letter for those on waiver. Without this form included, the policyholder letter would not be in compliance with 14VAC5-200-75 D 2 which requires a clear explanation of options available to the policyholder as alternatives to paying the rate increase. Please resolve.
- 4) The Company indicated the reason for the rate increase was included in paragraph two of the policyholder letter. The letter simply indicates the company evaluated a variety of factors that impact premium rates but does not include a clear identification of the driving factors of the premium rate increase pursuant to 14VAC5-200-75 D 3. What exactly are the factors that affected the need for a rate increase and why. Below is an example of such an explanation:  
  

"Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims."
- 5) Please provide a Certification of Compliance for both the policyholder letter and selection form with language compliant with 14VAC5-100-40 3.
- 6) The letter has a bracketed section on page two of the letter with no explanation in the Statement of Variability. It is unclear why this section "We understand if you would like to explore other options to continue your coverage. The enclosed Selection Form outlines some options that may be available to you" would be bracketed. For compliance with 14VAC5-200-75 D 2 this sentence should not be bracketed.
- 7) The insured should have the potential removal of riders as an option to reduce the impact of the rate increase. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?
- 8) Please include a statement in the letter for compliance with 14VAC5-200-75 A 4 b that the insured has the right to request a revised premium rate or rate schedule.
- 9) The rate increase ranges from 1% to 90%. Is the Company willing to implement the increases in a series? If so, a policyholder letter would need to be sent prior to the implementation of each increase; and, as a result, the policyholder letter and statement of variability should be amended to include the appropriate variability to accommodate this.



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	Please find attached the Certificate of Compliance.
<b>Attachment(s):</b>	Certificate of Compliance.pdf
<i>Previous Version</i>	
<b>Bypassed - Item:</b>	<i>Certification of Compliance</i>
<b>Bypass Reason:</b>	<i>NA. This is a rate filing only.</i>
<b>Attachment(s):</b>	

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 07/18	OTH	Initial			LS-0827 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
<i>Previous Version</i>								
1	<i>LTC Rate Increase Letter</i>	<i>LS-0827 VA 09.17</i>	<i>OTH</i>	<i>Initial</i>			<i>LTC Rate Increase Letter LS-0827 VA 09.17.pdf</i>	<i>Date Submitted: 11/01/2017 By: Diana Ulicny</i>

No Rate/Rule Schedule items changed.

**Response 3**

**Comments:**

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

We understand the regulation uses this term, but our policy was approved with the Contingent Non-Forfeiture Benefit Option terminology and changing would be confusing for the policyholder. A copy of the policy is attach under the Supporting Documentation tab.

The Contingent Non-Forfeiture Benefit will not be available if the policyholders age and increase amount does not meet triggers for a substantial premium increase as outlined in 14VAC5-200-185 or if they purchased the Lapse Protection Benefit.

o Lapse Protection Benefit is an optional benefit policyholders can purchase. When the policy is inforce for three full years and terminates due to non-payment, a reduced paidup amount of coverage is available:

&#61607;Policyholder will have a revised Benefit Bank equal to the greater of 100% of premiums paid or

&#61607;One times the Monthly Benefit minus any benefits already paid

Please phone Sue R. Howard, Director, Insurance Compliance, at (810)220-4614.

The paid-up value for the Contingent Benefit Upon Lapse option is calculated by taking the maximum of all the premiums paid by the policyholder or one months worth of benefits, and then subtracting out any previous claims already paid to the policyholder. This amount will not exceed the maximum benefits that would have been available to the policyholder had they not exercised the Contingent Benefit Upon Lapse option.

### **Related Objection 3**

Applies To:

- LSI - LTC Rate Increase Notice, LS-0828 VA 09.17 (Form)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Comments: The language under Variable 2 should clearly state the paid up value under Contingent Non-Forfeiture Benefit will be the greater of 100% of the sum of all premiums paid or 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. This benefit would automatically become effective 120 days from the date of lapse if the premium is not paid.

Please confirm that the Contingent Non-Forfeiture Benefit will be administered to all policyholders or only those eligible policyholders in accordance with 14VAC5-200-185 D as revised in September 2015. Please be aware the trigger points have been changed. For consistency with the regulation, the benefit should be referred as the Contingent Benefit Upon Lapse option.

How does this differ from the Standard Option provided under Variable 2a and the Lapse Protection Benefit under Variable 3?

There is a concern regarding the language that states the revised Benefit Bank is reduced by the sum of all benefits previously paid to You. As a result of this concern, the Manager of the Forms and Rates section in the Bureau will be in contact with the company to discuss this matter.

For our purposes and pursuant to 14VAC5-200-185 F, the paid-up value will not exceed the maximum benefits that would have been payable if the Policy had remained in a premium paying status. Please explain how the company calculates the paid-up value for the Contingent Benefit Upon Lapse option.

#### Changed Items:

No Supporting Documents changed.

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Selection Option Form	LS-0828 VA 07-18	OTH	Initial			LS-0828 VA 07-18.pdf	Date Submitted: 07/16/2018 By: Diana Ulicny
<i>Previous Version</i>								
1	LSI - LTC Rate Increase Notice	LS-0828 VA 09.17	OTH	Initial			LSI - LTC Rate Increase Notice LS-0828 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny

No Rate/Rule Schedule items changed.

#### Response 4

##### Comments:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

The Effective Date on the chart included on the policyholder letter is a variable field. The date will be the 75th day from the date the policyholder was notified.

This page has been added to the LTC Insurance Rate Request Summary.

#### Related Objection 4

Applies To:

- Long Term Care Insurance Rate Request Summary (Supporting Document)

Comments: Since it is unknown as to when this filing will be approved, please replace the effective date in this form with "on approval after a 75 day notice" to avoid any misunderstanding or confusion as to when the increase will become effective.

Also, please attach as page 2 a brief narrative to summarize the key information used to develop the rates including the main drivers for the revised rates. This should be similar to the reasons for the rate increase as contained in the policyholder letter.

#### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	Attached please find the Long Term Care Insurance Rate Request Summary which includes the requested page 2.
<b>Attachment(s):</b>	LTC Insurance Rate Request Summary.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	Attached please find the Long Term Care Insurance Rate Request Summary.
<b>Attachment(s):</b>	Long Term Care Insurance Rate Request Summary Part 1 Final.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Response 5

Comments:

The rates distinguished by those classes filed and were approved by the Department on July 15, 2010 SERFF tracking number for this is LFSC-126069494.

#### Related Objection 5

Applies To:

- Exhibit E.1 and E.2-LS0002 Rate Sheets, [LS-0002 VA 07/07] (Rate)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Comments: The company is providing rate pages for Individuals and Associations, Employer-Based Groups, and Employer Groups. The originally approved filing is SERFF tracking number LFSC-125188842 and rates were not segregated by class. Please explain when rates by class were approved.

#### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Exhibit E.1 and E.2-LS0002 Rate Sheets	LS-0002 VA 07/07	Revised	Previous State Filing Number: LFSC-125188482 Percent Rate Change Request: 38.7	Exhibits A and B - LS0002 RateSheets VA.pdf,	07/16/2018 By: Diana Ulicny
Previous Version						
1	Exhibit E.1 and E.2-LS0002 Rate Sheets	LS-0002 VA 07/07	Revised	Previous State Filing Number: LFSC-125188482 Percent Rate Change Request: 34	Exhibit E.1 and E.2 - LS0002 RateSheets.pdf,	09/22/2017 By: Diana Ulicny
Previous Version						
1	Exhibit E.1 and E.2-LS0002 Rate Sheets	Form LS-0002	Revised	Previous State Filing Number:  Percent Rate Change Request:	Exhibit E.1 and E.2 - LS0002 RateSheets.pdf,	07/21/2017 By: Amanda Wheeler

#### Response 6

##### Comments:

Statement of Variability and Schedule of Benefits are attached under the Supporting Documentation tab.

#### Related Objection 6

Applies To:

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

- Schedule of Benefits 11-01-17 (Supporting Document)

Comments: Please provide a copy of the Schedule of Benefits that reflects all the potential variability in the form with a Statement of Variability.

**Changed Items:**

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	VA Statement of Variability - SOB 07/16/18
<b>Comments:</b>	Please find attached the Statement of Variability for the Schedule of Benefits.
<b>Attachment(s):</b>	VA Statement of Variability - SOB.pdf

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	VA Statement of Variability - SOB 07/16/18
<b>Comments:</b>	Please find attached the Statement of Variability for the Schedule of Benefits.
<b>Attachment(s):</b>	VA Statement of Variability - SOB.pdf

<b>Satisfied - Item:</b>	Schedule of Benefits 07/16/18
<b>Comments:</b>	Please find attached the Schedule of Benefits which includes all the potential variability.
<b>Attachment(s):</b>	LS-0051 VA 05 07 - Schedule of Benefits.pdf

*Previous Version*

<b>Satisfied - Item:</b>	<i>Schedule of Benefits 11-01-17</i>
<b>Comments:</b>	<i>11/01/17 Please find attached the Schedule of Benefits in a John Doe format when the increase is implemented.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits John Doe.pdf</i>

*Previous Version*

<b>Satisfied - Item:</b>	<i>Schedule of Benefits</i>
<b>Comments:</b>	<i>Please find attached the Schedule of Benefits previously approved reference in Objection 6.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits.pdf</i>

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

*We trust these explanations will assist you in your continued review.*

*Thank you in advance for your assistance.*

*Sincerely,*

*Diana Ulicny*  
*Compliance Analyst*  
*810-220-4613*

*Sincerely,*  
*Diana Ulicny*

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/01/2017
Submitted Date	11/01/2017

Dear Bobby Toone,

### Introduction:

### Response 1

#### Comments:

Please find below the documentation to fulfill the requirements of this objection.

### Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection 10-12-17
Comments:	Please find attached documentation to fulfill the requirements of this objection.
Attachment(s):	Exhibits A-C&F Excel Format.xlsx Virginia Objection Response 10-12-17.pdf

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Conclusion:

Please let me know if I may be of any assistance.

Have a wonderful day!

Diana Ulicny  
Compliance Analyst  
Sincerely,  
Diana Ulicny



State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	11/01/2017
Submitted Date	11/01/2017

Dear Bobby Toone,

### Introduction:

### Response 1

#### Comments:

Please find documentation to fulfill the requirements of this objection.

### Changed Items:

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection 09-29-17
Comments:	Please find attached to the response to the objection dated 09-29-17.
Attachment(s):	Response to Objection 09-29-17.pdf

Supporting Document Schedule Item Changes	
Satisfied - Item:	Response to Objection 09-29-17
Comments:	Please find attached to the response to the objection dated 09-29-17.
Attachment(s):	Response to Objection 09-29-17.pdf

Satisfied - Item:	Schedule of Benefits 11-01-17
Comments:	11/01/17 Please find attached the Schedule of Benefits in a John Doe format when the increase is implemented.
Attachment(s):	LS-0051 VA 05 07 - Schedule of Benefits John Doe.pdf

#### Previous Version

Satisfied - Item:	Schedule of Benefits
Comments:	Please find attached the Schedule of Benefits previously approved reference in Objection 6.
Attachment(s):	LS-0051 VA 05 07 - Schedule of Benefits.pdf

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Response to Objection 09-29-17
<b>Comments:</b>	Please find attached to the response to the objection dated 09-29-17.
<b>Attachment(s):</b>	Response to Objection 09-29-17.pdf

<b>Satisfied - Item:</b>	Schedule of Benefits 11-01-17
<b>Comments:</b>	11/01/17 Please find attached the Schedule of Benefits in a John Doe format when the increase is implemented.
<b>Attachment(s):</b>	LS-0051 VA 05 07 - Schedule of Benefits John Doe.pdf

<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>Schedule of Benefits</i>
<b>Comments:</b>	<i>Please find attached the Schedule of Benefits previously approved reference in Objection 6.</i>
<b>Attachment(s):</b>	<i>LS-0051 VA 05 07 - Schedule of Benefits.pdf</i>

<b>Satisfied - Item:</b>	Statement of Variability 11-01-17
<b>Comments:</b>	Please find attached the updated Statement of Variability document.
<b>Attachment(s):</b>	Statement of Variability - VA.pdf

Form Schedule Item Changes								
Item No.	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments	Submitted
1	LTC Rate Increase Letter	LS-0827 VA 09.17	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny
2	LSI - LTC Rate Increase Notice	LS-0828 VA 09.17	OTH	Initial			LSI - LTC Rate Increase Notice LS-0828 VA 09.17.pdf	Date Submitted: 11/01/2017 By: Diana Ulicny

No Rate/Rule Schedule items changed.

**Conclusion:**

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

Please let me know if I may be of any assistance to you. I may be reached at 810-220-4613 via email [dulicny@yourlifesecond.com](mailto:dulicny@yourlifesecond.com).

Sincerely,

Diana Ulicny  
Compliance Analyst  
Sincerely,  
Diana Ulicny

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Response Letter

Response Letter Status	Submitted to State
Response Letter Date	09/22/2017
Submitted Date	09/22/2017

Dear Bobby Toone,

**Introduction:**

Good afternoon Janet,

To submit the response in an organized fashion since a few of the responses were too large to fit in the Comments area, please find attached the Virginia Objection Response (under Response 1) which addresses all of the objections. Also included under Response 1 are the following documents:

Actuarial Memorandum - Revised  
LTC Rate Increase Letter LS-0827 VA 09.17 referenced in Objection 5  
LSI-LTC Rate Increase Notice LS-0828 ST 09.17 referenced in Objection 5  
Certificate of Compliance referenced in Objection 5  
Certificate of Variability referenced in Objection 5  
LTC Rate Increase Letter Readability Certification referenced in Objection 6  
LS-0051 VA 05.07 - Schedule of Benefits referenced in Objection 6

### Response 1

**Comments:**

Please find attached documents to fulfill the objections.

### Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)
- Exhibit E.1 and E.2-LS0002 Rate Sheets, [Form LS-0002] (Rate)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Comments: The Actuarial Memorandum states this filing applies to form LS-0002, et al. The Affected form number in the Rate/Rule Schedule is Form LS-0002. Please revise the Affected Form Number column to list all form numbers exactly as approved that will be affected by this increase including any riders. Please update the memorandum accordingly to reflect the same information.

Please attach to Supporting Documentation an exhibit displaying the current rates for these plans.

The Rate/Rule Schedule indicates the overall percentage rate impact is 34% with a range of 1% to 90%. How does this correspond with the Requested Rate Increase information provided in Section 4 of the Actuarial Memorandum? Are there any policies that were not issued with a Guaranteed Purchase Option, 3% Compound or 5% Compound Inflation rider; and as a result, those policies would receive a zero increase?

#### Changed Items:

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection Response 09-22-17
<b>Comments:</b>	Please find attached the response to fulfill the objections.
<b>Attachment(s):</b>	Virginia Objection Response.pdf

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection Response 09-22-17
<b>Comments:</b>	Please find attached the response to fulfill the objections.
<b>Attachment(s):</b>	Virginia Objection Response.pdf

<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.
<b>Attachment(s):</b>	Virginia.pdf ACM Virginia_Revised.pdf

#### Previous Version

<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the Actuarial Memorandum.
<b>Attachment(s):</b>	Virginia.pdf

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection Response 09-22-17
<b>Comments:</b>	Please find attached the response to fulfill the objections.
<b>Attachment(s):</b>	Virginia Objection Response.pdf
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.
<b>Attachment(s):</b>	Virginia.pdf ACM Virginia_Revised.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf</i>
<b>Satisfied - Item:</b>	LTC Rate Increase Letter
<b>Comments:</b>	For informational purposes only we have attached the rate increase letter. 09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection Response 09-22-17
<b>Comments:</b>	Please find attached the response to fulfill the objections.
<b>Attachment(s):</b>	Virginia Objection Response.pdf
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.
<b>Attachment(s):</b>	Virginia.pdf ACM Virginia_Revised.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf</i>
<b>Satisfied - Item:</b>	LTC Rate Increase Letter
<b>Comments:</b>	For informational purposes only we have attached the rate increase letter. 09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>
<b>Satisfied - Item:</b>	LTC Rate Increase Letter Readability Certification
<b>Comments:</b>	Please find attached Readability Certification. This document is referenced in our response to Objection 6.
<b>Attachment(s):</b>	Rate Increase Letter Readability Certification.pdf

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Virginia Objection Response 09-22-17
<b>Comments:</b>	Please find attached the response to fulfill the objections.
<b>Attachment(s):</b>	Virginia Objection Response.pdf
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the Actuarial Memorandum. 09-22-17 Please find attached a revised Actuarial Memorandum.
<b>Attachment(s):</b>	Virginia.pdf ACM Virginia_Revised.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>L&amp;H Actuarial Memorandum</i>
<b>Comments:</b>	<i>Attached please find the Actuarial Memorandum.</i>
<b>Attachment(s):</b>	<i>Virginia.pdf</i>
<b>Satisfied - Item:</b>	LTC Rate Increase Letter
<b>Comments:</b>	For informational purposes only we have attached the rate increase letter. 09-22-17 Please find attached a revised rate increase letter to fulfill the objections. Also, attached is the Notice which will be included in the rate increase mailing to the policyholders, a Certificate of Compliance and a Statement of Variability. These documents are referenced in our response to Objection 5.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA 09.17.pdf LSI - LTC Rate Incr Notice LS-0828 ST 09.17.pdf Certificate of Compliance.pdf Statement of Variability - VA.pdf
<i>Previous Version</i>	
<b>Satisfied - Item:</b>	<i>LTC Rate Increase Letter</i>
<b>Comments:</b>	<i>For informational purposes only we have attached the rate increase letter.</i>
<b>Attachment(s):</b>	<i>LTC Rate Increase Letter.pdf</i>
<b>Satisfied - Item:</b>	LTC Rate Increase Letter Readability Certification
<b>Comments:</b>	Please find attached Readability Certification. This document is referenced in our response to Objection 6.
<b>Attachment(s):</b>	Rate Increase Letter Readability Certification.pdf
<b>Satisfied - Item:</b>	Schedule of Benefits
<b>Comments:</b>	Please find attached the Schedule of Benefits previously approved reference in Objection 6.



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

<b>Attachment(s):</b>	LS-0051 VA 05 07 - Schedule of Benefits.pdf
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No Form Schedule items changed.

Rate/Rule Schedule Item Changes						
Item No.	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments	Date Submitted
1	Exhibit E.1 and E.2-LS0002 Rate Sheets	LS-0002 VA 07/07	Revised	Previous State Filing Number: LFSC-125188482 Percent Rate Change Request: 34	Exhibit E.1 and E.2 - LS0002 RateSheets.pdf,	09/22/2017 By: Diana Ulicny
<i>Previous Version</i>						
1	Exhibit E.1 and E.2-LS0002 Rate Sheets	Form LS-0002	Revised	Previous State Filing Number:  Percent Rate Change Request:	Exhibit E.1 and E.2 - LS0002 RateSheets.pdf,	07/21/2017 By: Amanda Wheeler

## Response 2

### Comments:

Please see introduction comments.

## Related Objection 2

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

*Comments: According the Actuarial Memorandum, there is a small number of policies issued prior to the effective date of the rate stability regulation. The memorandum indicates all policies under this policy form will be considered subject to the rate stability regulation.*

*Because policies on or after October 1, 2003 are subject to the rate stabilization standards set forth in 14VAC5-200-153 and policies with issue dates prior to that date are subject to the loss ratio standards set forth in 14VAC5-200-150, the data should not be combined. Please provide exhibits for post stability block only illustrating experience and projections based on nationwide and Virginia only data and comply with the following:.*

*Pursuant to 14VAC5-200-153 C 2, premium rate increases will be determined based on the sum of the accumulated value of incurred claims and present value of future projected incurred claims (without inclusion of active life reserves) will not be less than the sum of the following:*

*a. the accumulated value of the initial earned premium times 58%; b) 85% of the accumulated value of prior premium rate schedule increases on an earned basis; c) present value of future projected initial earned premium times 58%; and d) 85% of the present value of future projected premiums not included in subsection c of this subsection on an earned basis.*

*All present and accumulated values should be used to determine rate increases shall use the maximum valuation interest rate for contract reserves as specified in Section 38.2-1371 of the Code of Virginia as set forth in 14VAC5-200-153-C 4.*

**Changed Items:**

*No Supporting Documents changed.*

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Response 3**

**Comments:**

*Please see introduction comments.*

**Related Objection 3**

*Applies To:*

*- L&H Actuarial Memorandum (Supporting Document)*

*Comments: According the actuarial certification, what increase would be needed to provide the required certification if the new business premium cap was not applied?*

*If this increase is approved and experience develops as anticipated, will the company forgo increases in the future? If not, what would trigger a rate increase in the future? In other words, what targeted loss ratio does the company plans to manage this block in the future?*

**Changed Items:**

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Response 4

##### Comments:

Please see introduction comments.

#### Related Objection 4

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

Comments: Please provide the following:

1. Re-state the nationwide experience using Virginia approved rates.
2. Provide a separate calculation of the Lifetime Loss Ratio so that the historical premium component is restated to what it would be if the proposed premium had been charged (collected) since the forms introduction.
3. Please provide an actual-to-expected analysis on each assumption, with expected on both original and current assumption basis.
4. Please provide a step-by-step quantification of the impact of the change in each assumption from the original assumptions to the current assumptions.
5. Please use the average maximum statutory valuation interest rate for each block of business to accumulate and discount cash flows.
6. Please provide sufficient detail or documentation provided so that any projections can be recreated. Please provide a copy of all projections in Excel with working formulas.
7. Advise in what states the company has requested rate increases on this block, how the rate changes requested in Virginia compare with those requested in other states, and the current status of the reviews in other states.
8. Please provide a loss ratio projection reflecting the actual historical experience during the historical experience period and then, utilizing the actual inforce as of the projection date, projecting forward the expected earned premiums and incurred claims using the original pricing assumptions for interest, mortality, morbidity and persistency into the future and assuming the future premiums are paid based on the original premium scale as if no increases had ever been implemented.
9. Please provide a loss ratio projection (both past and future) which reflects all of the original pricing assumptions for interest, mortality, morbidity, persistency and premium scale, but uses the actual distribution of policies as issued rather than the originally assumed mix of business.
10. Please provide the original targeted pricing loss ratio when the policy(ies) was originally approved.
11. Please provide a detailed explanation of the data sources and actuarial review performed in setting each assumption, including discussion of any adjustments made to reflect the company's unique business.
12. Please provide the reserve basis and justification for the reserve levels provided.
13. Please explain what, if any, margins are included in the proposed rates to ensure that future rate increases will not be needed presuming the experience develops as projected including a demonstration that actual and projected costs exceed costs anticipated at the time of initial pricing under moderately adverse experience and that the composite margin is projected to be exhausted.

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

14. How does the company plan to comply with 14VAC5-200-153.G.1.

**Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Response 5**

**Comments:**

Please see introduction comments.

**Related Objection 5**

Applies To:

- LTC Rate Increase Letter (Supporting Document)

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

Comments: Thank you for providing a copy of the LTC Rate Increase Letter. The Virginia State Corporation Commission adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at <http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748>.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. A summary of the new requirements are:

The notice is required to be filed with the commission at the time the premium rate increase is filed;

The insurer is required to provide the notice at least 75 days prior to the implementation of the premium rate schedule increase;

The notice is required to include at least the following information:

1. All applicable information identified in 14VAC5-200-75 including A 1 which requires a statement indicating the policy may be subject to future rate increases; A 2 which requires a statement that should there be future rate increases, options similar to those being offered now will be available and that benefits may be changed at any time and not just the time of a rate increase; A 3 which requires a statement indicating the premium rate or rate schedules that will be effect; A 4 a which requires a statement as to when the premium rate or rate schedule adjustments will be effective; and A 4 b which requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.

2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:

- a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
- b. A disclosure stating that all options available to the policyholder may not be of equal value. As a disclosure this information should be emphasized by bolding, highlighting, using larger text or some other method that will bring attention to it;
- c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections. As stated above, the information should be emphasized to bring attention to it; and
- d. Contact information that will allow the policyholder to contact the insurer for additional options available;

3. A clear identification of the driving factors of the premium rate increase; and

4. A statement substantially similar to the following:

The rate increase request was reviewed by Virginias State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at [www.scc.virginia.gov/BOI](http://www.scc.virginia.gov/BOI).

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

Because the letter must be "filed", please attach the letter to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number in the lower left hand corner. Please ensure the full and proper corporate name of the insurer prominently appears in the letter. Please include a Statement of Variability, if applicable.

Please advise what communication will be provided if the insured is currently on waiver.

Please attach a copy of the Selection Form mentioned in the LTC Rate Increase Letter to Supporting Documentation. Is this form attached and made a part of the policy?

#### **Changed Items:**

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### **Response 6**

##### **Comments:**

Please see introduction comments.

#### **Related Objection 6**

Comments: Please explain how a policy is updated to reflect any benefit changes the insured may choose to reduce the effects of the rate increase. If the policy is revised or changed in any way, the policyowner must first agree to the changes and the policy must be amended or endorsed by an approved form such as a rider, endorsement, application or schedule of benefits that has been reviewed and approved by the Virginia Bureau of Insurance. The document must be dated or have an indication of the effective date of change in the policy benefits, state that a change is being made to the policy and this new document will be made a part of the contract. If the company has such forms available for this purpose, please provide a copy of the form, the SERFF tracking number and date of approval. If the company does not have any available documents to effectuate such changes, a form will need to be submitted for review and approval. It can be attached to this filing if desired. Please keep in mind, there are several options provided in the policyholder letter to reduce the effect of the rate increase. Please be sure all options are covered in the new form or forms including the contingent benefit upon lapse and/or optional nonforfeiture benefit. If the company chooses to include variability in the form, please provide a statement of variability. A Certification of Compliance would be required in accordance with 14VAC5-100-40 3 as well as a readability certification in accordance with 14VAC5-110-60.

#### **Changed Items:**

No Supporting Documents changed.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 7

#### Comments:

Please see introduction comments.

### Related Objection 7

Applies To:

- LTC Rate Increase Letter (Supporting Document)

Comments: The proposed policyholder letter includes the potential removal of riders as an option to reduce the impact of the rate increase. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 8

#### Comments:

Please see introduction comments.

### Related Objection 8

Applies To:

- L&H Actuarial Memorandum (Supporting Document)



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

*Comments: In lieu of a single increase, the Bureau may approve a series of scheduled rate increases that are actuarially equivalent to the single amount requested by the insurer over the lifetime of the policy. The entire series would be approved at one time as part of the current increase filing. If the rate increase is approved in a series of scheduled rate increases and the sum of all scheduled rate increases would ultimately trigger the offering of the contingent benefit upon lapse, the insurer will be required to include contingent benefit upon lapse at the time of each scheduled increase. If the company is agreeable to this, what implementation schedule would be offered?*

*Please be aware that a policyholder notification would need to be sent at least 75 days prior to the effective date of the increase of each implementation. And as a result, a separate policyholder letter would be needed for each implementation or the one letter contain sufficient variability to be used at the time of each implementation.*

**Changed Items:**

*No Supporting Documents changed.*

*No Form Schedule items changed.*

*No Rate/Rule Schedule items changed.*

**Response 9**

**Comments:**

*Please see introduction comments.*

**Related Objection 9**

*Applies To:*

*- Long Term Care Insurance Rate Request Summary (Supporting Document)*

*Comments: Please amend the Rate Request Summary to include all form numbers for which this rate increase is applicable.*

*Also, please attach a brief narrative to summarize the key information used to develop the rate including the main drivers of the revised rates. Our expectation is that the narrative to be attached to the form would put into consumer friendly language a clear explanation of the justification for the rate increase. This should be fairly high level and not drill down deep into the details but at least explain to the consumer the assumptions and changes that are driving the need for an increase. Below is an example of such wording:*

*"Our rates are based on assumptions regarding persistency (how long the policy stays in force), mortality (at what rate deaths occur), and voluntary lapses (when an insured voluntarily terminates his policy). Actual results are much higher than anticipated when the policy was originally priced which means that individuals are living longer and keeping their policies in force longer which results in more claims incurred. As a result, premiums must be adjusted to ensure current and future claims are adequately funded.*

**Changed Items:**

*No Supporting Documents changed.*

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

**Conclusion:**

Please let me know if I may be of any assistance. I may be reached at 810-220-4613 or via email at [dulicny@yourlifefsecure.com](mailto:dulicny@yourlifefsecure.com).

Sincerely,

Diana Ulicny  
Compliance Analyst

Sincerely,  
Diana Ulicny

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

## Amendment Letter

Submitted Date: 07/02/2020

Comments:

Hello Bobby,

I have created an amendment so the redlined versions of the letter and selection option form are visible to you. Thank you.

Regards,

Lynda Roberts

Changed Items:

*No Form Schedule Items Changed.*

*No Rate Schedule Items Changed.*

Supporting Document Schedule Item Changes	
<b>Satisfied - Item:</b>	Redlines of Letter & Selection Option Form for Objection Due 7/2/2020
<b>Comments:</b>	Please see the attached redlines of the Increase Letter and Selection Option Form.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA Redlined 07.01.2020.pdf LTC Selection Option Form LS-0828 VA Redlined 07.01.20.pdf

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Note To Reviewer

**Created By:**

Lynda Roberts on 07/02/2020 09:27 AM

**Last Edited By:**

Bobby Toone

**Submitted On:**

08/18/2020 02:49 PM

**Subject:**

Filing Update

**Comments:**

Hello Bobby,

I am stepping in for Diana, who is no longer with our company. I have carefully reviewed the past communications and responses and hope that our objection response will allow you to complete your review of our filing. If you have any questions or need anything further, please let me know. Have a great day.

Regards,

Lynda Roberts  
Compliance Anlayst

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Note To Filer

**Created By:**

Bobby Toone on 05/05/2020 05:32 PM

**Last Edited By:**

Bobby Toone

**Submitted On:**

05/14/2020 02:59 PM

**Subject:**

Phone Call

**Comments:**

Our review of the forms in this filing has uncovered numerous concerns dealing with specificity and readability that might best be resolved with a phone call.

We would like to set up a call for either Tuesday, 5/12/2020, or Wednesday, 05/13/2020. Please contact me at Bobby.Toone@scc.virginia.gov with a date and time that works best for you.

Thank you

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Note To Filer

**Created By:**

Bobby Toone on 05/04/2020 07:32 AM

**Last Edited By:**

Bobby Toone

**Submitted On:**

05/14/2020 02:59 PM

**Subject:**

Extension

**Comments:**

An extension to 6/3/2020 is allowed.

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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Note To Reviewer

**Created By:**

Diana Ulicny on 05/04/2020 07:18 AM

**Last Edited By:**

Bobby Toone

**Submitted On:**

05/14/2020 02:59 PM

**Subject:**

Extension Please

**Comments:**

Hello,

I apologize, we thought we could meet this deadline.

Please provide an extension on the due date of this deadline.

Thank you in advance for your assistance.

Sincerely,

Diana Ulicny

**State:** Virginia**Filing Company:** LifeSecure Insurance Company**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified**Product Name:** Individual LTC 1.0 Rate Increase**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Note To Reviewer

**Created By:**

Diana Ulicny on 01/02/2019 09:47 AM

**Last Edited By:**

Elsie Andy

**Submitted On:**

06/18/2019 03:15 PM

**Subject:**

Status of Filing

**Comments:**

Good afternoon,

Could you please provide a status of this filing?

Thank you.

Sincerely,

Diana Ulicny



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<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Note To Reviewer

**Created By:**

Diana Ulicny on 11/12/2018 09:02 AM

**Last Edited By:**

Elsie Andy

**Submitted On:**

06/18/2019 03:15 PM

**Subject:**

Status

**Comments:**

Hello,

I see the Status has been updated to reflect: Info has been requested from company. I am not seeing this request.

Could you please clarify?

Thank you in advance for your assistance.

Sincerely,

Diana Ulicny  
Compliance Analyst  
810-220-4613  
dulicny@yourlifefsecure.com

**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Reviewer Note

**Created By:**

Bobby Toone on 08/18/2020 02:51 PM

**Last Edited By:**

Bobby Toone

**Submitted On:**

08/18/2020 02:54 PM

**Subject:**

Actuarial Final Summary & Opinion Report

**Comments:**

12/17/2018 - Recommend Approval

December 17, 2018

Life and Health Division  
Bureau of Insurance  
State Corporation Commission  
P. O. Box 1157  
Richmond, VA 23218

Subject: **SERFF Tracking #LFSC-131119865**

At the request of the Virginia SCC Bureau of Insurance (the “Bureau”), I have reviewed the filing for the above captioned submission from **LifeSecure Insurance Company** (the “Company”). This is an initial filing of a rate increase for an individual long-term care policy form pursuant to the requirements of 14VAC5-200 et seq.

### **Recommendation**

Since after review of the Company’s submission, I believe that the Company has demonstrated that the filing is in compliance with all applicable regulations and standards, I therefore recommend that the Bureau **approve** the proposed rates. My review of this filing was performed according to the provisions of 14VAC5-200 et seq. and applicable Actuarial Standards of Practice, including Actuarial Standard of Practice No. 18, “Long-Term Care Insurance” and Actuarial Standard of Practice No. 8, “Regulatory Filings for Rates and Financial Projections for Health Plans”.

### **Background**

This is the first rate increase on these policy forms which were issued from 2010 through 2014 and are not currently marketed. As of 12/31/16, there were 208 policyholders with annual premium of \$435K in Virginia, and 10,794 policies with \$15.0M premium nationwide. The Company is requesting an increase averaging 38.7% and varying as shown below:

<b>Inflation Type</b>	<b>Policy Count</b>	<b>Proposed</b>
GPO	77	22.4%
3%	100	38.2%
5%	31	54.2%

### **Analysis**

My approach was to a) review the filing materials, b) check the filing contents for compliance with all relevant regulations, c) verify the calculations in the supplied exhibits, and d) review the assumptions and projections for reasonableness.

In the course of my review, requests were sent to the Company for additional information. The Company's responses clarified issues raised in my review. The Bureau was involved in all correspondence with the Company.

#### Assumptions

##### *Morbidity*

The morbidity assumptions are based on the Milliman 2014 LTCGs with selection factors to reflect the Company's underwriting practices. Company experience to date has very limited credibility, so no other explicit adjustments were made to reflect actual experience. Original assumptions were based on Milliman 2002 LTCGs.

##### *Persistency*

The Company's assumption is comprised of:

- Voluntary Lapse – varies by issue age and duration; the ultimate lapse rate at durations 8+ is 1.0%;
- Mortality – based on the 1994 GAM with 10 years of selection.

Due to the early durations of this block, there is very limited exposure at the later durations, so the ultimate persistency experience cannot yet be determined with any credibility.

##### *Interest*

The average valuation rate of 3.7% is used for discounting.

#### Actual to Expected Results

##### *Morbidity*

For claim costs, A/E was 91% based on original assumptions and 79% on current assumptions. While these ratios are less than 100%, this is still a relatively young block of business and the vast majority of claims are in the later durations for LTC.

##### *Total Terminations*

The A/E is 137% based on original assumptions and 174% on current assumptions. These relatively high levels do not support the usual narrative that more policies will be inforce than anticipated at the older attained ages to receive benefits.

#### Actuarial Certification

The certification and supporting documentation in the filing meet the applicable requirements of 14VAC5-200-153.

#### Loss Ratio Demonstrations

The Company has filed demonstrations consistent with 14VAC5-200-153. In order to determine the appropriate standard, it was necessary to determine the original loss ratio. The Company provided projections for each inflation type using original assumptions and I modified the interest rate to 3.7% to match the current projections. These are shown in

the chart below. The Bureau has established in the past that I should use the original lifetime loss ratio if it is higher than 58%, so I have done that in the testing below.

<b>Inflation Type</b>	<b>Orig LR*</b>	<b>Required Claims</b>	<b>Projected Claims</b>	<b>Pass/Fail</b>	<b>Lifetime LR without/with</b>	<b>Future LR# without/with</b>
GPO	52.7%	64,733,852	64,765,152	PASS	69%/61%	78%/65%
3%	61.4%	91,715,442	91,740,582	PASS	81%/66%	89%/67%
5%	79.2%	31,178,772	31,189,966	PASS	106%/81%	116%/80%

\*discounted at 3.7%

#after deducting ALR

### **Reliance and Qualifications**

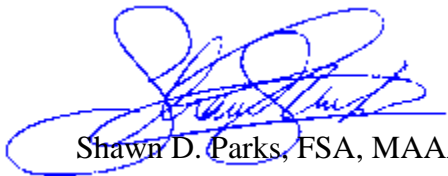
I am providing this letter to the Bureau as the sole intended user. The scope of the review relates only to compliance with applicable laws and regulations relating to the actuarial aspects of the filing under consideration, and the intended purpose is to communicate my findings regarding this filing. Distribution of this letter to parties other than the Bureau by me or any other party does not constitute advice by me to those parties. The reliance of parties other than the Bureau on any aspect of this work is not authorized by me and is done at their own risk.

In arriving at my opinion, I used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, my findings and conclusions may need to be revised. While I have relied on the data provided without independent investigation or verification, I have reviewed the data for consistency and reasonableness. In the event that I found the data inconsistent or unreasonable, I have requested clarification.

I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion. I am responsible for this work and have utilized generally accepted actuarial methodologies in arriving at my opinion.

If you have any questions regarding this filing, please contact me to discuss.

Sincerely,



Shawn D. Parks, FSA, MAAA

**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Reviewer Note

**Created By:**

Bobby Toone on 10/15/2018 05:13 PM

**Last Edited By:**

Bobby Toone

**Submitted On:**

04/01/2020 08:42 AM

**Subject:**

RRS

**Comments:**

RRS1

Long Term Care Insurance Rate Request Summary  
Part 1 – To Be Completed By Company

[Reset Form](#)

Company Name and NAIC Number:

LifeSecure Insurance Company

SERFF Tracking Number:

LFSC-131119865

Effective Date:

On approval after a 75 day notice

Revised Rates

Average Annual Premium Per Member:

2092

Average Requested Percentage Rate Change Per Member:

38.7%

Minimum Requested Percentage Rate Change Per Member:

22.4%

Maximum Requested Percentage Rate Change Per Member:

54.2%

Number of Policy Holders Affected :

208

Plans Affected

(The Form Number and "Product Name")

Form#

"Product Name"(if applicable)

LS-0002

Long Term Care 1.0

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for the revised rates.

*This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.*

**Main drivers for the revised rates:**

The following scenarios were used to determine the IRR trigger:

- Morbidity increase of 10%
- Ultimate lapse  $\frac{1}{2}$  those used in pricing
- Mortality decline by 20%
- Investment rate that declined by 100 bps

If we ignore the IRR impact and focus on the assumptions themselves, the following shows the average impact of moving to the current assumptions:

- Morbidity increased 31%
- Ultimate lapse is  $\frac{3}{4}$  those used in pricing
- Mortality declined 10%
- Investment rate not considered

The morbidity factor alone meets the trigger. Combining this with the lapse and mortality changes would only exceed the trigger even further.



**State:** Virginia **Filing Company:** LifeSecure Insurance Company  
**TOI/Sub-TOI:** LTC03I Individual Long Term Care/LTC03I.001 Qualified  
**Product Name:** Individual LTC 1.0 Rate Increase  
**Project Name/Number:** Individual LTC 1.0 Rate Increase/

## Post Submission Update Request Processed On 11/15/2018

Status: Allowed  
Created By: Diana Ulicny  
Processed By: Greg Smith  
Comments:

### General Information:

Field Name	Requested Change	Prior Value
Product Name	Individual LTC 1.0 Rate Increase	Individual LTC 1.0 RI
Project Name	Individual LTC 1.0 Rate Increase	Individual LTC 1.0 RI
Status of Filing in Domicile	Authorized	Pending
Domicile Status Comments	Our domicile state, Michigan was approved on 01/30/2018.	We have filed within our domicile state and we are currently awaiting approval.
Implementation Date Requested	12/01/2018	10/01/2017

### Company Rate Information:

Company Name:LifeSecure Insurance Company

Field Name	Requested Change	Prior Value
Overall % Indicated Change	38.700%	34.000%
Overall % Rate Impact	38.700%	34.000%
Written Premium Change for this Program	\$168439	\$148160
Maximum %Change (where required)	54.200%	90.000%
Minimum %Change (where required)	22.400%	1.000%

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Form Schedule

Lead Form Number:								
Item No.	Schedule Item Status	Form Name	Form Number	Form Type	Form Action	Action Specific Data	Readability Score	Attachments
1	Filed 10/07/2020	LTC Rate Increase Letter	LS-0827 VA 05/2020	OTH	Initial			LTC Rate Increase Letter LS-0827 VA 07.24.2020.pdf
2	Approved 10/07/2020	LTC Selection Option Form	LS-0828 VA 05/2020	OTH	Initial			LTC Selection Option Form LS-0828 VA 07.24.20.pdf
3	Approved 10/07/2020	Schedule of Benefits	LS-0051 VA 05/07	SCH	Initial			LS-0051 VA 05-07 Schedule of Benefits 07.24.20.pdf

### Form Type Legend:

<b>ADV</b>	Advertising	<b>AEF</b>	Application/Enrollment Form
<b>CER</b>	Certificate	<b>CERA</b>	Certificate Amendment, Insert Page, Endorsement or Rider
<b>DDP</b>	Data/Declaration Pages	<b>FND</b>	Funding Agreement (Annuity, Individual and Group)
<b>MTX</b>	Matrix	<b>NAP</b>	Network Access Plan
<b>NOC</b>	Notice of Coverage	<b>OTH</b>	Other
<b>OUT</b>	Outline of Coverage	<b>PJK</b>	Policy Jacket
<b>POL</b>	Policy/Contract/Fraternal Certificate	<b>POLA</b>	Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider
<b>PRC</b>	Provider Contract/Provider Addendum/Provider Leading Agreement	<b>PRD</b>	Provider Directory



LifeSecure Insurance Company  
Policyholder Support  
[P.O. Box 1019 Brighton, MI 48116  
Phone: 888.575.8246  
Fax: 877.226.0925]

[Mailing Date]

**Important Notice: Upcoming Long  
Term Care Premium Rate Increase**

[Policyholder Name]  
[Address]  
[City, State and Zip]

Policy Number: [      ]

**This is not a bill - you do not need to send any payment to us at this time.**

Dear [Policyholder Name]:

After a careful review, we have found that a premium increase is necessary to continue providing your long term care coverage. Your premium is not being increased due to changes in your personal health, age or claims history. We recognize and value your loyalty to LifeSecure Insurance Company for your long term care insurance needs. We are grateful to have earned your trust over the years, and we are committed to providing you with quality long term care coverage at affordable rates.

Our decision to increase premium rates was made after thoroughly evaluating a variety of factors that impact premium rates. Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims. This increase applies to everyone who purchased a policy under a specific policy series and was filed and approved by Virginia State Corporation Commission.

We maintain the right to raise premiums in the future. Should there be future rate increases, options similar to those being offered now will be available at that time. You may change your benefits at any time and not just at the time of a rate increase.

The rate increase request was reviewed by Virginia's State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at <https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>. The policyholder has the right to a revised premium or a rate schedule in the event of a rate premium increase.

**What this means to you:**

The rate increase will go into effect on the first premium due date on or after the Increase Effective Date listed in the table below, unless your premium is currently being waived because of your claim status. If you are currently on Waiver of Premium, you will not be affected by this rate increase at this time. If your policy returns to active premium paying status, you will receive a new notification letter which will also include a Selection Option Form outlining the options that are available to you at that time.



LifeSecure Insurance Company  
Policyholder Support  
[P.O. Box 1019 Brighton, MI 48116  
Phone: 888.575.8246  
Fax: 877.226.0925]

The following chart represents the upcoming change to your premium. If you pay your premium through a payroll deduction, the new premium will be in effect for the first premium due on or after the Increase Effective Date. If we do not hear from you by the effective date shown below, your new premium will go into effect. You will receive an updated Schedule of Benefits which should be retained with your policy.

If you have received, recently accepted, or are expecting to receive a Guaranteed Future Purchase Offer, the new premium shown below may not reflect the increased premium for that offer.

Your Current Premium	Your New Premium	Percentage of Increase	Increase Effective Date
[Current Premium] [Current Premium Mode]	[New Premium] [Current Premium Mode]	[%]	[Effective Date]

**Your current plan may meet the requirements for Partnership Plan Certification, providing you with asset protection. If you decide to change your benefits, this may affect that status.**

[Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete the enclosed form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.]

**[Variable 1:**

☐ **Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me**

***Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.***

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium.

You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

**[Variable 2:]**

☐ **Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

- [Variable 2a:

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 2b:

☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect to exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 3:

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

We hope you keep your long term care policy. It provides great peace of mind in knowing that if you need long term care, you won't have to bear the cost burden all on your own. We understand if you would like to explore other options to continue your coverage. **All options available may not be of equal value.** It may be best for you to contact us directly to discuss specific options for your coverage. We want to answer any questions you might have. Please call our Policyholder Support team at 888.575.8246 or e-mail us at [phs@yourlifesecure.com](mailto:phs@yourlifesecure.com).

Sincerely,

LifeSecure Policyholder Support

[Insured's Name]                      **PREMIUM INCREASE SELECTION OPTION FORM**                      Policy Number: [   ]

Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete this form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.

**[Variable 1:**

☐ Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me

***Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.***

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium.

You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

**[Variable 2:]****☐ Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

- **[Variable 2a:**

**☐ STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- **[Variable 2b:**

**☐ LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect to exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- **[Variable 3:**

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**I have carefully reviewed the enclosed information and understand my options. I authorize LifeSecure to amend my coverage as indicated on this form.**

Policyholder's Signature

Policyholder's Printed Name

Date

Current Email Address (Optional)

Current Address

City, State and Zip

Current Telephone Number



**LifeSecure Insurance Company**

10559 Citation Dr., Suite 300  
Brighton, MI 48116

**SCHEDULE OF BENEFITS**

<b>Policyholder:</b>	[John Smith 10 Main Street Anytown, USA 11111]	<b>Policy Number:</b>	[#####]
		<b>Policy Effective Date:</b>	[01/01/07]
<b>Age At Issue:</b>	[45]	<b>[Coverage Change Effective Date:</b>	01/01/10]

**BENEFITS AND COVERAGE AMOUNTS**

Benefit Bank:	[\$75,000 - \$1,000,000]
Monthly Benefit Access Limit:	[1%, 2% or 3% of Benefit Bank] [(\$###)]
Facility Covered Services:	Up to 100% of the Monthly Benefit Amount
Non-Facility Covered Services:	Up to 100% of the Monthly Benefit Amount
[Guaranteed Future Purchase Offers:	Included]
[Contingent Non-Forfeiture Benefit:	Included]
Benefit Wait Period:	[30, 60, 90, 100, 120 or 180] Calendar Days
[OPTIONAL BENEFITS ELECTED]	
[Money-Back Promise Option	Included]
[Automatic 3% Compound Inflation Protection Benefit:	Included]
[Automatic 5% Compound Inflation Protection Benefit:	Included]
[Lapse Protection Benefit:	Included]

**PREMIUM INFORMATION**

Premium Rate Classification:	[Preferred, Standard, Select]
Premium Payment Mode:	[Monthly, Quarterly, Semi-annual, Annual]
Premium Payment Time Period:	[Lifetime, 10-years, To-age-65]
[Marital Discount Applied:	10%]
[Dual Spouse Coverage Discount Applied:	20%]
[Endorsed Multi-life Discount Applied:	10%]
<b>Premium Amount[*]:</b>	<b>[\$###] per [month, quarter, semi-annual period, year,]</b>
	<b>[\$### per payroll deduction]</b>

[\*The premium amount includes the premium contribution, if any, paid by an employer sponsor.]



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Rate Information

Rate data applies to filing.

<b>Filing Method:</b>	SERFF
<b>Rate Change Type:</b>	Increase
<b>Overall Percentage of Last Rate Revision:</b>	%
<b>Effective Date of Last Rate Revision:</b>	
<b>Filing Method of Last Filing:</b>	
<b>SERFF Tracking Number of Last Filing:</b>	

## Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
LifeSecure Insurance Company	38.700%	38.700%	\$168,439	208	\$435,136	54.200%	22.400%

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Exhibit E.1 and E.2-LS0002 Rate Sheets	LS-0002 VA 07/07	Revised	Previous State Filing Number: LFSC-125188482 Percent Rate Change Request: 38.7	Exhibits A and B - LS0002 RateSheets VA.pdf,

# Exhibit A: Revised Premium Rate Pages for Form LS-0002 Individual and Associations

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single, Standard Premiums\***

**Base Premiums**

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	536	486	444
31	549	497	452
32	562	507	461
33	575	518	470
34	589	529	479
35	602	541	488
36	615	551	497
37	629	563	506
38	647	578	518
39	666	593	531
40	684	609	544
41	703	624	557
42	722	640	570
43	744	659	586
44	768	679	602
45	791	699	619
46	813	718	635
47	836	738	651
48	870	766	675
49	903	794	699
50	936	823	723
51	970	851	747
52	1,003	880	770
53	1,043	914	799
54	1,083	948	828
55	1,123	982	857
56	1,163	1,016	886
57	1,202	1,051	915
58	1,306	1,140	991
59	1,409	1,230	1,068
60	1,513	1,319	1,145
61	1,616	1,409	1,221
62	1,720	1,498	1,298
63	1,877	1,635	1,415
64	2,034	1,771	1,532
65	2,191	1,907	1,650
66	2,349	2,044	1,767
67	2,506	2,180	1,884
68	2,951	2,563	2,210
69	3,396	2,945	2,536
70	3,841	3,328	2,861
71	4,286	3,710	3,187
72	4,731	4,093	3,513
73	5,552	4,797	4,107
74	6,372	5,501	4,702
75	7,193	6,205	5,296
76	8,014	6,909	5,891
77	8,835	7,612	6,486
78	9,122	7,882	6,727
79	9,409	8,152	6,969
80	9,696	8,421	7,210
81	9,983	8,691	7,451
82	10,270	8,961	7,693
83	10,773	9,420	8,088
84	11,276	9,880	8,482

**\*Adjustment Factors**

Marital Discount:	30% if both purchase (multiply single rates by 0.70) 10% if only one purchases (multiply single rates by 0.90)
Preferred Rates:	Multiply Standard Rates by 0.90
Substandard Rates:	Multiply Standard Rates by 1.40

# Exhibit A: Revised Premium Rate Pages for Form LS-0002 Individual and Associations

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single, Standard Premiums**  
**Sales to Individuals in Associations\***

## Base Premiums

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	509	462	421
31	522	472	430
32	534	482	438
33	547	493	446
34	559	503	455
35	572	513	463
36	585	524	472
37	597	534	480
38	615	549	493
39	633	564	505
40	650	579	517
41	668	593	529
42	685	608	541
43	707	627	557
44	729	645	572
45	751	664	588
46	773	682	603
47	795	701	619
48	826	728	641
49	858	755	664
50	890	782	687
51	921	809	709
52	953	836	732
53	991	868	759
54	1,029	901	787
55	1,066	933	814
56	1,104	966	842
57	1,142	998	869
58	1,241	1,083	942
59	1,339	1,168	1,015
60	1,437	1,253	1,087
61	1,536	1,338	1,160
62	1,634	1,423	1,233
63	1,783	1,553	1,344
64	1,933	1,682	1,456
65	2,082	1,812	1,567
66	2,231	1,942	1,679
67	2,380	2,071	1,790
68	2,803	2,435	2,099
69	3,226	2,798	2,409
70	3,649	3,162	2,718
71	4,071	3,525	3,028
72	4,494	3,888	3,337
73	5,274	4,557	3,902
74	6,054	5,226	4,467
75	6,834	5,894	5,032
76	7,614	6,563	5,597
77	8,394	7,232	6,161
78	8,666	7,488	6,391
79	8,939	7,744	6,620
80	9,212	8,000	6,850
81	9,484	8,257	7,079
82	9,757	8,513	7,308
83	10,235	8,949	7,683
84	10,713	9,386	8,058

## \*Adjustment Factors

Marital Discount:	30% if both purchase (multiply single rates by 0.70) 10% if only one purchases (multiply single rates by 0.90)
Preferred Rates:	Multiply Standard Rates by 0.90
Substandard Rates:	Multiply Standard Rates by 1.40

**Exhibit A:** Revised Premium Rate Pages for Form LS-0002 Individual and Associations

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**Factors to Apply to Base Policy to get Total Rates for Base Plus Inflation**

<b>Issue Age</b>	<b>5% Compound Factors All Benefit Banks</b>	<b>3% Compound Factors All Benefit Banks</b>
30 and under	4.44	2.60
31	4.38	2.58
32	4.33	2.56
33	4.28	2.54
34	4.23	2.53
35	4.17	2.51
36	4.12	2.49
37	4.07	2.47
38	4.01	2.45
39	3.96	2.44
40	3.90	2.42
41	3.84	2.40
42	3.79	2.39
43	3.72	2.36
44	3.65	2.34
45	3.58	2.32
46	3.52	2.29
47	3.45	2.27
48	3.40	2.25
49	3.35	2.22
50	3.30	2.20
51	3.25	2.18
52	3.20	2.16
53	3.20	2.13
54	3.19	2.10
55	3.18	2.08
56	3.18	2.05
57	3.17	2.02
58	3.15	1.99
59	3.12	1.96
60	3.10	1.94
61	3.08	1.91
62	3.06	1.88
63	2.99	1.84
64	2.93	1.81
65	2.86	1.77
66	2.79	1.74
67	2.73	1.70
68	2.64	1.67
69	2.55	1.64
70	2.46	1.61
71	2.37	1.58
72	2.29	1.54
73	2.21	1.52
74	2.14	1.49
75	2.07	1.47
76	2.00	1.44
77	1.93	1.41
78	1.88	1.39
79	1.83	1.37
80	1.78	1.35
81	1.74	1.33
82	1.69	1.31
83	1.66	1.30
84	1.63	1.28

**Exhibit A:** Revised Premium Rate Pages for Form LS-0002 Individual and Associations

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**Factors to Apply to Base Policy to get Total Premium with Limited Pay Option**

Issue Age	Limited Pay Option:	Limited Pay Option:
	10 Pay	Paid up at 65
30 and under	3.77	1.55
31	3.71	1.56
32	3.66	1.57
33	3.61	1.58
34	3.56	1.59
35	3.50	1.59
36	3.45	1.60
37	3.40	1.61
38	3.35	1.63
39	3.30	1.64
40	3.24	1.66
41	3.19	1.67
42	3.14	1.69
43	3.09	1.72
44	3.04	1.75
45	2.98	1.78
46	2.93	1.81
47	2.88	1.84
48	2.83	1.90
49	2.78	1.96
50	2.72	2.03
51	2.67	2.09
52	2.62	2.15
53	2.57	2.26
54	2.52	2.36
55	2.47	2.47
56	2.42	N/A
57	2.37	N/A
58	2.32	N/A
59	2.28	N/A
60	2.23	N/A
61	2.19	N/A
62	2.14	N/A
63	2.09	N/A
64	2.04	N/A
65	1.99	N/A
66	1.94	N/A
67	1.89	N/A
68	1.84	N/A
69	1.80	N/A
70	1.75	N/A
71	1.71	N/A
72	1.66	N/A
73	1.62	N/A
74	1.58	N/A
75	1.53	N/A
76	1.49	N/A
77	1.45	N/A
78	1.43	N/A
79	1.42	N/A
80	1.40	N/A
81	1.39	N/A
82	1.37	N/A
83	1.35	N/A
84	1.33	N/A

**Exhibit A:** Revised Premium Rate Pages for Form LS-0002 Individual and Associations

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**Factors to Apply to Base Policy to get Total Rates for Base Plus Non-forfeiture Option**

Issue Age	Return of Premium on		Shortened Benefit Period
	Death	Non-forfeiture Option	Non-forfeiture Option
30 and under		1.17	1.15
31		1.18	1.15
32		1.19	1.15
33		1.20	1.15
34		1.21	1.15
35		1.22	1.15
36		1.23	1.15
37		1.24	1.15
38		1.25	1.15
39		1.26	1.15
40		1.27	1.15
41		1.28	1.15
42		1.29	1.15
43		1.30	1.15
44		1.32	1.15
45		1.33	1.15
46		1.34	1.15
47		1.35	1.15
48		1.37	1.15
49		1.38	1.15
50		1.39	1.15
51		1.40	1.15
52		1.41	1.15
53		1.42	1.15
54		1.44	1.15
55		1.45	1.15
56		1.46	1.15
57		1.47	1.15
58		1.48	1.15
59		1.49	1.15
60		1.50	1.15
61		1.51	1.15
62		1.52	1.15
63		1.52	1.15
64		1.53	1.15
65		1.53	1.15
66		1.53	1.15
67		1.54	1.15
68		1.54	1.15
69		1.55	1.15
70		1.55	1.15
71		1.55	1.15
72		1.56	1.15
73		1.56	1.15
74		1.57	1.15
75		1.57	1.15
76		1.57	1.15
77		1.58	1.15
78		1.58	1.15
79		1.59	1.15
80		1.59	1.15
81		1.59	1.15
82		1.60	1.15
83		1.60	1.15
84		1.61	1.15

## Exhibit B: Revised Premium Rate Pages for Form LS-0002 Employer-Based Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single Premiums; Sales to Individuals in Employer Groups\***

### Employee Pay Base Premiums with GPO\*\*

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	531	394	439
31	544	409	448
32	556	425	456
33	570	442	465
34	583	460	474
35	596	479	483
36	609	499	492
37	623	520	501
38	641	542	513
39	659	565	526
40	678	588	539
41	696	613	551
42	714	634	564
43	737	653	580
44	760	672	596
45	783	692	612
46	805	711	629
47	828	730	645
48	861	758	668
49	894	786	692
50	927	815	716
51	960	843	739
52	993	871	763
53	1,032	905	791
54	1,072	939	820
55	1,111	972	849
56	1,151	1,006	877
57	1,190	1,040	906
58	1,293	1,129	982
59	1,395	1,217	1,057
60	1,498	1,306	1,133
61	1,600	1,395	1,209
62	1,703	1,483	1,285
63	1,858	1,618	1,401
64	2,014	1,753	1,517
65	2,169	1,888	1,633
66	2,325	2,023	1,749
67	2,481	2,159	1,865
68	2,921	2,537	2,188
69	3,362	2,916	2,510
70	3,802	3,295	2,833
71	4,243	3,673	3,155
72	4,683	4,052	3,478
73	5,496	4,749	4,066
74	6,309	5,446	4,655
75	7,121	6,143	5,244
76	7,934	6,840	5,832
77	8,747	7,536	6,421
78	9,031	7,803	6,660
79	9,315	8,070	6,899
80	9,599	8,337	7,138
81	9,884	8,604	7,377
82	10,168	8,871	7,616
83	10,666	9,326	8,007
84	11,164	9,781	8,398

### \*Adjustment Factors

Marital Discount: 30% if both purchase (multiply single rates by 0.70)  
10% if only one purchases (multiply single rates by 0.90)

\*\*Employer Pay Factor: Apply 5% discount if employer contributes to premium



## Exhibit B: Revised Premium Rate Pages for Form LS-0002 Employer-Based Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single Premiums; Sales to Individuals in Employer Groups\***

**Employee Pay Base Premiums with 5% Inflation\*\***

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	2,355	2,135	1,948
31	2,382	2,155	1,962
32	2,409	2,175	1,976
33	2,437	2,196	1,990
34	2,463	2,215	2,003
35	2,487	2,233	2,016
36	2,511	2,250	2,027
37	2,533	2,266	2,037
38	2,572	2,296	2,060
39	2,608	2,325	2,081
40	2,643	2,351	2,101
41	2,675	2,376	2,119
42	2,706	2,400	2,136
43	2,742	2,429	2,158
44	2,775	2,455	2,177
45	2,805	2,479	2,195
46	2,832	2,500	2,210
47	2,856	2,519	2,223
48	2,927	2,578	2,272
49	2,996	2,635	2,318
50	3,060	2,689	2,362
51	3,122	2,741	2,404
52	3,181	2,790	2,443
53	3,300	2,892	2,529
54	3,419	2,993	2,615
55	3,537	3,094	2,700
56	3,654	3,195	2,785
57	3,771	3,295	2,869
58	4,068	3,552	3,088
59	4,360	3,804	3,304
60	4,648	4,053	3,517
61	4,931	4,298	3,726
62	5,210	4,538	3,932
63	5,563	4,844	4,194
64	5,894	5,132	4,441
65	6,205	5,402	4,672
66	6,496	5,653	4,887
67	6,766	5,887	5,088
68	7,709	6,695	5,774
69	8,574	7,073	6,402
70	9,361	8,111	6,974
71	10,071	8,719	7,489
72	10,702	9,260	7,947
73	12,168	10,514	9,002
74	13,518	11,669	9,974
75	14,752	12,724	10,862
76	15,871	13,681	11,666
77	16,874	14,539	12,387
78	16,985	14,676	12,526
79	17,070	14,789	12,642
80	16,270	14,130	12,098
81	16,298	14,189	12,165
82	16,300	14,222	12,209
83	16,811	14,700	12,620
84	17,295	15,154	13,011

### \*Adjustment Factors

Marital Discount:	30% if both purchase (multiply single rates by 0.70) 10% if only one purchases (multiply single rates by 0.90)
Preferred Rates:	Multiply Standard Rates by 0.90
Substandard Rates:	Multiply Standard Rates by 1.40

## Exhibit B: Revised Premium Rate Pages for Form LS-0002 Employer-Based Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single Premiums; Sales to Individuals in Employer Groups\***

**Employee Pay Base Premiums with 3% Inflation\*\***

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	1,381	1,176	1,143
31	1,404	1,221	1,156
32	1,426	1,266	1,170
33	1,450	1,306	1,184
34	1,472	1,324	1,198
35	1,494	1,341	1,211
36	1,516	1,358	1,224
37	1,537	1,375	1,236
38	1,572	1,403	1,259
39	1,606	1,431	1,281
40	1,639	1,459	1,303
41	1,673	1,486	1,325
42	1,705	1,512	1,346
43	1,742	1,543	1,371
44	1,778	1,573	1,395
45	1,812	1,602	1,418
46	1,846	1,630	1,441
47	1,879	1,657	1,462
48	1,934	1,703	1,501
49	1,988	1,749	1,538
50	2,040	1,793	1,575
51	2,091	1,836	1,610
52	2,141	1,877	1,645
53	2,198	1,926	1,685
54	2,253	1,973	1,724
55	2,306	2,018	1,761
56	2,357	2,061	1,796
57	2,406	2,102	1,831
58	2,576	2,249	1,956
59	2,740	2,391	2,076
60	2,898	2,527	2,193
61	3,050	2,659	2,305
62	3,197	2,785	2,413
63	3,424	2,982	2,582
64	3,641	3,170	2,743
65	3,847	3,349	2,896
66	4,042	3,518	3,041
67	4,227	3,678	3,178
68	4,884	4,242	3,658
69	5,512	4,781	4,116
70	6,113	5,297	4,554
71	6,686	5,788	4,972
72	7,230	6,256	5,369
73	8,343	7,209	6,173
74	9,414	8,126	6,946
75	10,443	9,008	7,689
76	11,430	9,853	8,402
77	12,376	10,663	9,085
78	12,596	10,884	9,289
79	12,806	11,095	9,484
80	12,354	10,730	9,187
81	12,531	10,909	9,354
82	12,699	11,079	9,512
83	13,161	11,508	9,880
84	13,609	11,924	10,237

**\*Adjustment Factors**

Marital Discount:	30% if both purchase (multiply single rates by 0.70) 10% if only one purchases (multiply single rates by 0.90)
Preferred Rates:	Multiply Standard Rates by 0.90
Substandard Rates:	Multiply Standard Rates by 1.40

## Exhibit B: Revised Premium Rate Pages for Form LS-0002 Employer-Based Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single Premiums; Sales to Individuals in Employer Groups\***

**Employee Pay 10-Pay Premiums with 5% Inflation\*\***

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	8,869	8,040	7,337
31	8,843	8,000	7,284
32	8,817	7,961	7,232
33	8,791	7,921	7,180
34	8,757	7,876	7,124
35	8,716	7,824	7,062
36	8,667	7,767	6,997
37	8,612	7,704	6,927
38	8,610	7,687	6,896
39	8,597	7,662	6,859
40	8,573	7,628	6,814
41	8,539	7,586	6,763
42	8,495	7,535	6,706
43	8,467	7,500	6,663
44	8,425	7,454	6,610
45	8,371	7,397	6,550
46	8,304	7,330	6,481
47	8,225	7,254	6,404
48	8,278	7,291	6,425
49	8,316	7,315	6,436
50	8,337	7,326	6,435
51	8,342	7,324	6,424
52	8,333	7,309	6,402
53	8,480	7,431	6,501
54	8,615	7,543	6,590
55	8,736	7,643	6,670
56	8,843	7,732	6,740
57	8,938	7,810	6,800
58	9,454	8,254	7,178
59	9,932	8,666	7,527
60	10,374	9,046	7,849
61	10,779	9,394	8,145
62	11,149	9,712	8,414
63	11,626	10,124	8,765
64	12,025	10,469	9,059
65	12,349	10,749	9,297
66	12,602	10,967	9,482
67	12,787	11,126	9,616
68	14,215	12,346	10,647
69	15,416	12,718	11,512
70	16,401	14,211	12,219
71	17,180	14,875	12,776
72	17,765	15,371	13,192
73	19,688	17,012	14,566
74	21,305	18,391	15,720
75	22,630	19,519	16,662
76	23,679	20,412	17,406
77	24,467	21,081	17,961
78	24,357	21,046	17,962
79	24,206	20,971	17,927
80	22,810	19,811	16,962
81	22,589	19,666	16,861
82	22,330	19,485	16,726
83	22,728	19,875	17,062
84	23,071	20,215	17,356

### \*Adjustment Factors

Marital Discount:	30% if both purchase (multiply single rates by 0.70) 10% if only one purchases (multiply single rates by 0.90)
Preferred Rates:	Multiply Standard Rates by 0.90
Substandard Rates:	Multiply Standard Rates by 1.40

## Exhibit B: Revised Premium Rate Pages for Form LS-0002 Employer-Based Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**90 Day Elimination Period; Daily Benefit = \$100**  
**Single Premiums; Sales to Individuals in Employer Groups\***

**Employee Pay 10-Pay Premiums with 3% Inflation\*\***

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	5,203	4,428	4,304
31	5,212	4,533	4,293
32	5,221	4,634	4,283
33	5,230	4,713	4,272
34	5,235	4,708	4,258
35	5,236	4,700	4,242
36	5,232	4,689	4,224
37	5,226	4,675	4,203
38	5,262	4,698	4,215
39	5,293	4,718	4,223
40	5,319	4,732	4,227
41	5,339	4,742	4,228
42	5,353	4,748	4,225
43	5,379	4,765	4,233
44	5,397	4,775	4,234
45	5,408	4,779	4,231
46	5,413	4,778	4,224
47	5,410	4,771	4,212
48	5,469	4,817	4,245
49	5,518	4,854	4,271
50	5,558	4,884	4,290
51	5,588	4,905	4,303
52	5,608	4,919	4,309
53	5,649	4,950	4,330
54	5,678	4,972	4,343
55	5,696	4,984	4,349
56	5,704	4,988	4,347
57	5,702	4,983	4,339
58	5,987	5,227	4,545
59	6,242	5,446	4,730
60	6,469	5,641	4,894
61	6,668	5,812	5,039
62	6,841	5,959	5,163
63	7,157	6,233	5,396
64	7,428	6,467	5,596
65	7,655	6,664	5,763
66	7,842	6,825	5,900
67	7,988	6,951	6,007
68	9,005	7,821	6,744
69	9,911	8,597	7,401
70	10,711	9,281	7,979
71	11,406	9,875	8,482
72	12,002	10,384	8,912
73	13,499	11,664	9,987
74	14,836	12,807	10,947
75	16,020	13,818	11,796
76	17,054	14,701	12,536
77	17,945	15,461	13,173
78	18,063	15,607	13,320
79	18,159	15,732	13,449
80	17,321	15,043	12,880
81	17,368	15,120	12,964
82	17,397	15,179	13,031
83	17,794	15,559	13,358
84	18,155	15,906	13,657

### \*Adjustment Factors

Marital Discount:	30% if both purchase (multiply single rates by 0.70) 10% if only one purchases (multiply single rates by 0.90)
Preferred Rates:	Multiply Standard Rates by 0.90
Substandard Rates:	Multiply Standard Rates by 1.40

## Exhibit B – Revised Premium Rate Pages for Form LS-0002 Employer Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**Factors to Apply to Base Policy to get Total Premium with Paid up at 65 Option**  
**Employer Groups**

Issue Age	Limited Pay Option:
	Paid up at 65
30 and under	1.55
31	1.56
32	1.57
33	1.58
34	1.59
35	1.59
36	1.60
37	1.61
38	1.63
39	1.64
40	1.66
41	1.67
42	1.69
43	1.72
44	1.75
45	1.78
46	1.81
47	1.84
48	1.90
49	1.96
50	2.03
51	2.09
52	2.15
53	2.26
54	2.36
55	2.47
56	N/A
57	N/A
58	N/A
59	N/A
60	N/A
61	N/A
62	N/A
63	N/A
64	N/A
65	N/A
66	N/A
67	N/A
68	N/A
69	N/A
70	N/A
71	N/A
72	N/A
73	N/A
74	N/A
75	N/A
76	N/A
77	N/A
78	N/A
79	N/A
80	N/A
81	N/A
82	N/A
83	N/A
84	N/A

## Exhibit B – Revised Premium Rate Pages for Form LS-0002 Employer Groups

**LifeSecure Insurance Company**  
**Annual Long Term Care Premiums- Policy Form LS-0002**  
**Factors to Apply to Base Policy to get Total Rates for Base Plus Non-forfeiture Option**  
**Employer Groups**

<b>Issue Age</b>	<b>Return of Premium on Death Non-forfeiture Option</b>	<b>Shortened Benefit Period Non-forfeiture Option</b>
30 and under	1.17	1.15
31	1.18	1.15
32	1.19	1.15
33	1.20	1.15
34	1.21	1.15
35	1.22	1.15
36	1.23	1.15
37	1.24	1.15
38	1.25	1.15
39	1.26	1.15
40	1.27	1.15
41	1.28	1.15
42	1.29	1.15
43	1.30	1.15
44	1.32	1.15
45	1.33	1.15
46	1.34	1.15
47	1.35	1.15
48	1.37	1.15
49	1.38	1.15
50	1.39	1.15
51	1.40	1.15
52	1.41	1.15
53	1.42	1.15
54	1.44	1.15
55	1.45	1.15
56	1.46	1.15
57	1.47	1.15
58	1.48	1.15
59	1.49	1.15
60	1.50	1.15
61	1.51	1.15
62	1.52	1.15
63	1.52	1.15
64	1.53	1.15
65	1.53	1.15
66	1.53	1.15
67	1.54	1.15
68	1.54	1.15
69	1.55	1.15
70	1.55	1.15
71	1.55	1.15
72	1.56	1.15
73	1.56	1.15
74	1.57	1.15
75	1.57	1.15
76	1.57	1.15
77	1.58	1.15
78	1.58	1.15
79	1.59	1.15
80	1.59	1.15
81	1.59	1.15
82	1.60	1.15
83	1.60	1.15
84	1.61	1.15

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

## Supporting Document Schedules

<b>Satisfied - Item:</b>	Certification of Compliance
<b>Comments:</b>	Please find attached the Certificate of Compliance.
<b>Attachment(s):</b>	Certificate of Compliance 07-17-19.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Bypassed - Item:</b>	Product Checklist
<b>Bypass Reason:</b>	NA. This is a rate filing.
<b>Attachment(s):</b>	
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	L&H Actuarial Memorandum
<b>Comments:</b>	Attached please find the revised Actuarial Memorandum dated 2018.10.08.
<b>Attachment(s):</b>	VA Revised Actuarial Memorandum 2018.10.08.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Long Term Care Insurance Rate Request Summary
<b>Comments:</b>	Attached please find the Long Term Care Insurance Rate Request Summary.
<b>Attachment(s):</b>	ltcratereq_sum.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	LTC Rate Increase Letter and Premium Increase Selection Option Form 05.2020
<b>Comments:</b>	Please find attached the LTC Rate Increase Letter and Premium Increase Selection Option Form. Per our phone conversation, I have added the information from the Selection Option Form and the information to the letter.
<b>Attachment(s):</b>	LTC Selection Option Form LS-0828 VA 05.2020.pdf LTC Rate Increase Letter LS-0827 VA 05.2020.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Virginia Objection Response 09-22-17
<b>Comments:</b>	Please find attached the response to fulfill the objections.

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

<b>Attachment(s):</b>	Virginia Objection Response.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	11/16/2017
<b>Satisfied - Item:</b>	Readability Compliance Certifications - Letter and Form
<b>Comments:</b>	Please find attached the Readability Compliance Certifications for the LTC Rate Increase Letter and the Premium Increase Selection Form.
<b>Attachment(s):</b>	Readability Compliance Certification-LTC Rate Increase Letter.pdf Readability Compliance Certification-PI Selection Option Form.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Schedule of Benefits with Logo
<b>Comments:</b>	Please find attached the Schedule of Benefits with the correct logo.
<b>Attachment(s):</b>	LS-0051 VA 05-07 Schedule of Benefits.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Statement of Variability Documents - Letter and Options Form 05.2020
<b>Comments:</b>	Please find attached the revised Statement of Variability documents for the LTC Rate Increase Letter and the Premium Increase Selection Option Form.
<b>Attachment(s):</b>	Statement of Variability - LTC Rate Increase Letter 07.01.20.pdf Statement of Variability - Selection Option Form 07.01.20.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Response to Objection 09-29-17
<b>Comments:</b>	Please find attached to the response to the objection dated 09-29-17.
<b>Attachment(s):</b>	Response to Objection 09-29-17.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	11/16/2017
<b>Satisfied - Item:</b>	Response to Objection 10-12-17
<b>Comments:</b>	Please find attached documentation to fulfill the requirements of this objection.
<b>Attachment(s):</b>	Exhibits A-C&F Excel Format.xlsx Virginia Objection Response 10-12-17.pdf
<b>Item Status:</b>	Received & Acknowledged



<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

<b>Status Date:</b>	11/16/2017
<b>Satisfied - Item:</b>	Virginia Objection 3 Attachments 07/16/18
<b>Comments:</b>	Please find attached the Virginia Objection 3 Attachments.
<b>Attachment(s):</b>	Virginia Objection 3 Attachments.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	VA Statement of Variability - SOB 07/16/18
<b>Comments:</b>	Please find attached the Statement of Variability for the Schedule of Benefits.
<b>Attachment(s):</b>	VA Statement of Variability - SOB.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	06/18/2019
<b>Satisfied - Item:</b>	LS-0002 VA 07/07 Policy
<b>Comments:</b>	Please find attached the VA policy previously approved for your reference.
<b>Attachment(s):</b>	LS-0002 VA 07-07.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Objection Response 07-16-18
<b>Comments:</b>	
<b>Attachment(s):</b>	Virginia Objection Response 07-16-18.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Objection Response 08-23-18
<b>Comments:</b>	Please see attached response to the objection dated 08-23-18.
<b>Attachment(s):</b>	Virginia Objection Response 08-23-18.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020
<b>Satisfied - Item:</b>	Objection Response 09-28-18
<b>Comments:</b>	Please find attached the response to the objection dated 09-28-18.
<b>Attachment(s):</b>	Virginia Objection Response 09-28-18.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020

<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase		
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/		

<b>Satisfied - Item:</b>	Objection Response 04-08-19
<b>Comments:</b>	
<b>Attachment(s):</b>	Virginia Objection Response 04-08-19.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020

<b>Satisfied - Item:</b>	Requested Information 01/22/2020
<b>Comments:</b>	Please find attached the requested information.
<b>Attachment(s):</b>	Virginia Objection 8 Response.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020

<b>Satisfied - Item:</b>	Redlines of Letter & Selection Option Form for Objection Due 7/2/2020
<b>Comments:</b>	Please see the attached redlines of the Increase Letter and Selection Option Form.
<b>Attachment(s):</b>	LTC Rate Increase Letter LS-0827 VA Redlined 07.01.2020.pdf LTC Selection Option Form LS-0828 VA Redlined 07.01.20.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020

<b>Satisfied - Item:</b>	Rate Increase Letter & Option Form highlighted
<b>Comments:</b>	
<b>Attachment(s):</b>	LTC Selection Option Form LS-0828 VA Highlighted 07.24.20.pdf LTC Rate Increase Letter LS-0827 VA Highlighted 07.24.2020.pdf
<b>Item Status:</b>	Received & Acknowledged
<b>Status Date:</b>	10/07/2020

<b>SERFF Tracking #:</b>	LFSC-131119865	<b>State Tracking #:</b>	LFSC-131119865	<b>Company Tracking #:</b>	LS-0002 RATE INCREASE
<hr/>					
<b>State:</b>	Virginia	<b>Filing Company:</b>	LifeSecure Insurance Company		
<b>TOI/Sub-TOI:</b>	LTC03I Individual Long Term Care/LTC03I.001 Qualified				
<b>Product Name:</b>	Individual LTC 1.0 Rate Increase				
<b>Project Name/Number:</b>	Individual LTC 1.0 Rate Increase/				

***Attachment Exhibits A-C&F Excel Format.xlsx is not a PDF document and cannot be reproduced here.***

# State of Virginia

## Certificate of Compliance

Carrier: LifeSecure Insurance Company

Form Number(s)	Form Title(s)
LS-0827 VA 07/19	LTC Rate Increase Letter
LS-0828 VA 07/18	Premium Increase Selection Option Form

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.



Signature of Officer or General Counsel: \_\_\_\_\_

Brian Vestergaard

Name (typed or printed): \_\_\_\_\_

Vice President, Product & Marketing

Title or business affiliation: \_\_\_\_\_

Date: 07/17/2019



**LifeSecure Insurance Company**  
**ACTUARIAL JUSTIFICATION OF PREMIUM RATES**  
**Long Term Care Policies**

**1. PURPOSE OF FILING**

This is a rate increase filing for a Long Term Care form and attached options. The purpose of this rate increase filing actuarial memorandum is to demonstrate the requirements for a rate increase for this state are satisfied. This rate increase filing actuarial memorandum is not intended to be used for any other purpose.

A rate increase is being requested on this policy form due to higher anticipated future and lifetime loss ratios.

**2. SCOPE OF FILING**

This filing applies to the Company's Long Term Care policy form:

LS-0002, et al                      Tax Qualified Individual Long Term Care Insurance Policy

This form provides reimbursement for long term care services in various settings when the insured meets policy benefit qualification requirements. The form contains individual guaranteed renewable policies. In this state, these policies were issued from January, 2010 to July, 2014. These policies are subject to the rate stability regulation. This product is not being currently marketed in this state. The rate increase will apply to inforce policies only.

The LS-0002 policy series was marketed to individuals, to members of employer-based groups that were list-billed and/or marketed together, and to members of associations through direct agents and brokers. Underwriting and / or premium rates varied among the applicant types.

The number of policyholders and annualized inforce premium as of 12/31/2016 as well as the average premium are shown in Exhibit A.

**3. REASON FOR RATE INCREASE REQUEST**

The rate increase is necessary because the current expectation regarding assumptions for morbidity and terminations is worse than the original pricing assumptions.

This form was priced to produce a Distributable Earnings IRR of 15%. The IRR under mildly adverse conditions was determined to be 10%, creating a 5% margin. Exhibit F shows the current projected IRR of 3.89%, well below the threshold.

**4. REQUESTED RATE INCREASE**

Rate increase percentages vary based on type of inflation coverage. The rate increases that are warranted are as follows:

Policies eligible for Guaranteed Purchase Option (GPO): 22.4%  
Policies with 3% Compound Inflation: 38.2%  
Policies with 5% Compound Inflation: 54.2%

This filing demonstrates that actual past experience combined with projected future experience results in a lifetime loss ratio of 79.6% without a rate increase.

For projection purposes, the proposed effective date of the rate increase is December 1, 2018.

## 5. RATE INCREASE HISTORY

None

## 6. PROJECTION ASSUMPTIONS

Interest – A 3.7% effective annual rate of interest has been assumed for accumulating historical experience and for discounting projected future experience.

Persistency – Persistency assumptions have been modified from the original pricing expectations. For mortality, selection factors have been applied to the 1994 Group Annuity Mortality table used in original pricing.

Morbidity – Pricing morbidity assumptions have been refreshed to be consistent with Milliman 2014 Long Term Care Guidelines.

See Exhibit D for additional details.

## 7. HISTORICAL EXPERIENCE

Nationwide Experience since inception through 2016 is shown in Exhibit B. The following summarizes the historical loss ratios:

Inflation Type	Earned Premium	Incurred Claims*	Actual Loss Ratio
GPO	28,417,692	2,397,369	8.4%
3%	30,264,190	700,092	2.3%
5%	8,496,569	130,246	1.5%
Total	67,178,451	3,227,707	4.8%

Consistent with the original filing, incurred claims do not include active life reserves.

\*Incurred Claims are calculated as Paid Claims plus Claim Reserves and IBNR for claims through 12/31/2016.

**8. PROJECTED FUTURE EXPERIENCE**

Future experience which has been projected 60 years using the assumptions described in section 6 is shown in Exhibit C. The following summarizes the anticipated future loss ratios without a rate increase:

Inflation Type	Earned Premium	Incurred Claims	Actual Loss Ratio
GPO	65,146,258	62,367,780	95.7%
3%	82,513,130	91,040,489	110.3%
5%	20,836,881	31,059,718	149.1%
Total	168,496,270	184,467,986	109.5%

**9. LIFETIME ANTICIPATED LOSS RATIO**

The lifetime anticipated loss ratio is defined as the present value of the historical and projected future incurred claims divided by the present value of the historical and projected future earned premiums. These values without a rate increase are summarized below:

Inflation Type	Earned Premium	Incurred Claims	Actual Loss Ratio
GPO	93,563,950	64,765,149	69.2%
3%	112,777,320	91,740,581	81.3%
5%	29,333,450	31,189,964	106.3%
Total	235,674,720	187,695,694	79.6%



The loss ratio standard on rate stability policies is 58% of the original premium schedule, plus 85% of the premium increase and is summarized as follows:

**Policies with the Option for GPO and No Inflation**  
**58/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	28,417,692
(2)	Accumulated Past Premiums on an Original Basis	28,417,692
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	77,460,093
(5)	PV Future Premiums on an Original Basis	65,146,258
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	12,313,835
(7)	Accumulated Past Incurred Claims	2,397,369
(8)	PV Future Incurred Claims	62,367,780
(9)	Total Incurred Claims (7) + (8)	64,765,149
(10)	$0.58*[(2)+(5)]+0.85*[(3)+(6)]$	64,733,851
(11)	Test: Is (9)>(10)?	TRUE

**Policies with 3% Compound Inflation**  
**58/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	30,264,190
(2)	Accumulated Past Premiums on an Original Basis	30,264,190
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	108,948,621
(5)	PV Future Premiums on an Original Basis	82,513,130
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	26,435,491
(7)	Accumulated Past Incurred Claims	700,092
(8)	PV Future Incurred Claims	91,040,489
(9)	Total Incurred Claims (7) + (8)	91,740,581
(10)	$0.58*[(2)+(5)]+0.85*[(3)+(6)]$	87,881,013
(11)	Test: Is (9)>(10)?	TRUE

**Policies with 5% Compound Inflation  
58/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	8,496,569
(2)	Accumulated Past Premiums on an Original Basis	8,496,569
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	30,185,999
(5)	PV Future Premiums on an Original Basis	20,836,881
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	9,349,118
(7)	Accumulated Past Incurred Claims	130,246
(8)	PV Future Incurred Claims	31,059,718
(9)	Total Incurred Claims (7) + (8)	31,189,964
(10)	$0.58*[(2)+(5)]+0.85*[(3)+(6)]$	24,960,152
(11)	Test: Is (9)>(10)?	TRUE

**Total Policies  
58/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	67,178,451
(2)	Accumulated Past Premiums on an Original Basis	67,178,451
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	216,594,713
(5)	PV Future Premiums on an Original Basis	168,496,270
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	48,098,444
(7)	Accumulated Past Incurred Claims	3,227,707
(8)	PV Future Incurred Claims	184,467,986
(9)	Total Incurred Claims (7) + (8)	187,695,694
(10)	$0.58*[(2)+(5)]+0.85*[(3)+(6)]$	177,575,015
(11)	Test: Is (9)>(10)?	TRUE

**10. ACTUARIAL CERTIFICATION**

I, Kevin Peake, am an Actuary at LifeSecure Insurance Company, a Fellow of the Society of Actuaries, and a member of the American Academy of Actuaries, and I meet the Academy's qualification standards for rendering this opinion. I am familiar with the requirements for filing long-term care insurance premiums.

I hereby certify that, to the best of my knowledge, this filing is in compliance with all applicable laws and regulations of this state, and Actuarial Standard of Practice Number 8, "Regulatory Filings for Rates and Financial Projections for Health Plans," as adopted by the Actuarial Standards Board, and the loss ratios of the policy forms affected by the rate filing meet the minimum requirements of this state.

In my opinion, under the state's current requirement that projections made under 14VAC5-200-153.C.2 utilize the original pricing loss ratio if higher than the stipulated 58% or 85% in the 58%/85% tests, no further premium rate schedule increases are anticipated as long as the requested premium rate schedule increase is implemented and the underlying assumptions are realized.

I have reviewed and taken into consideration the policy design and coverage provided and our current underwriting and claims adjudication processes.

The premium rate schedules being submitted are not greater than the rate schedules for similar products that will be marketed. Where the justifiable premium would exceed the marketed rates, the rate increase for that pricing cell was capped. The number of policies impacted by the cap is not significant enough to prevent certification that the rate schedules are sufficient under moderately adverse experience. The benefits are reasonable in relation to the premiums.

In forming my opinion, I have used actuarial assumptions, actuarial methods, and such tests of the actuarial calculations as I considered necessary. The assumptions present the my best judgment and are consistent with LifeSecure's business plan at the time of the filing

Respectfully Submitted,



Kevin Peake, FSA, MAAA  
Sr. Manager, Actuarial  
LifeSecure Insurance Company  
10/08/2018

Attachments:

Exhibit A: Inforce Policy Forms

Exhibit B: Historical Experience

Exhibit C: Lifetime Experience

Exhibit D: Projection Assumptions

Exhibit E.1: Revised Premium Rate Pages for Form LS-0002 Individual and Associations

Exhibit E.2: Revised Premium Rate Pages for Form LS-0002 Employer-Based Groups

Exhibit F: IRR Calculation

**LifeSecure Insurance Company**  
**ACTUARIAL JUSTIFICATION OF PREMIUM RATES**  
**Long Term Care Policies**

**Exhibit A – Policies Inforce as of 12/31/2016**

**Nationwide**

Inflation Type	Annualized Premiums	Inforce	Average Annualized Premiums	
			Before Rate Increase	After Rate Increase
GPO	\$5,669,186	6,014	\$943	\$1,150
3% Inflation	\$7,308,486	4,047	\$1,806	\$2,495
5% Inflation	<u>\$2,011,588</u>	<u>733</u>	<u>\$2,744</u>	<u>\$4,232</u>
Total	\$14,989,260	10,794	\$1,389	\$1,864

**Virginia**

Inflation Type	Annualized Premiums	Inforce	Average Annualized Premiums	
			Before Rate Increase	After Rate Increase
GPO	\$95,020	77	\$1,234	\$1,510
3% Inflation	\$232,429	100	\$2,324	\$3,212
5% Inflation	<u>\$107,687</u>	<u>31</u>	<u>\$3,474</u>	<u>\$5,357</u>
Total	\$435,136	208	\$2,092	\$2,902

**LifeSecure Insurance Company**  
**ACTUARIAL JUSTIFICATION OF PREMIUM RATES**  
**Long Term Care Policies**

**Exhibit B – Anticipated Loss Ratios**

**Historical Experience (Nationwide)**  
**As of December 31, 2016**

**GPO**

Incurred Year	Earned Premium	Incurred Claims	Actual Loss Ratio
2007	25,496	957	3.8%
2008	159,232	8,657	5.4%
2009	486,772	31,207	6.4%
2010	934,391	24,637	2.6%
2011	1,375,783	46,927	3.4%
2012	2,129,694	296,385	13.9%
2013	3,419,453	663,686	19.4%
2014	5,458,797	474,415	8.7%
2015	6,105,255	180,465	3.0%
<u>2016</u>	<u>5,740,833</u>	<u>433,977</u>	<u>7.6%</u>
Total	25,835,705	2,161,313	8.4%
<b>Total w/Interest</b>	<b>28,417,692</b>	<b>2,397,369</b>	<b>8.4%</b>

**3% Inflation**

Incurred Year	Earned Premium	Incurred Claims	Actual Loss Ratio
2007	32,078	1,204	3.8%
2008	57,395	2,264	3.9%
2009	126,369	5,870	4.6%
2010	246,216	8,496	3.5%
2011	617,810	32,002	5.2%
2012	1,607,240	62,653	3.9%
2013	3,392,215	15,897	0.5%
2014	6,885,604	283,407	4.1%
2015	7,663,280	150,334	2.0%
<u>2016</u>	<u>7,395,218</u>	<u>75,433</u>	<u>1.0%</u>
Total	28,023,425	637,562	2.3%
<b>Total w/Interest</b>	<b>30,264,190</b>	<b>700,092</b>	<b>2.3%</b>

**5% Inflation**

Incurred Year	Earned Premium	Incurred Claims	Actual Loss Ratio
2007	11,408	428	3.8%
2008	28,106	1,424	5.1%
2009	37,697	234	0.6%
2010	51,823	1,745	3.4%
2011	196,736	13,449	6.8%
2012	464,979	16,013	3.4%
2013	995,350	4,379	0.4%
2014	1,919,174	76,553	4.0%
2015	2,116,178	125,940	6.0%
<u>2016</u>	<u>2,035,242</u>	<u>-129,520</u>	<u>-6.4%</u>
Total	7,856,693	110,645	1.4%
<b>Total w/Interest</b>	<b>8,496,569</b>	<b>130,246</b>	<b>1.5%</b>

**Total**

Incurred Year	Earned Premium	Incurred Claims	Actual Loss Ratio
2007	68,982	2,590	3.8%
2008	244,732	12,345	5.0%
2009	650,838	37,312	5.7%
2010	1,232,429	34,878	2.8%
2011	2,190,329	92,378	4.2%
2012	4,201,913	375,052	8.9%
2013	7,807,017	683,961	8.8%
2014	14,263,575	834,375	5.8%
2015	15,884,714	456,739	2.9%
<u>2016</u>	<u>15,171,293</u>	<u>379,891</u>	<u>2.5%</u>
Total	61,715,823	2,909,520	4.7%
<b>Total w/Interest</b>	<b>67,178,451</b>	<b>3,227,707</b>	<b>4.8%</b>

LifeSecure Insurance Company

ACTUARIAL JUSTIFICATION OF PREMIUM RATES  
Long Term Care Policies

Exhibit C – Lifetime Experience (Nationwide)  
LifeSecure Insurance Company  
Without Rate Increase  
GPO Policies Only

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	25,496	957	3.8%	1.4122
2008	159,232	8,657	5.4%	1.3618
2009	486,772	31,207	6.4%	1.3132
2010	934,391	24,637	2.6%	1.2664
2011	1,375,783	46,927	3.4%	1.2212
2012	2,129,694	296,385	13.9%	1.1776
2013	3,419,453	663,686	19.4%	1.1356
2014	5,458,797	474,415	8.7%	1.0951
2015	6,105,255	180,465	3.0%	1.0560
2016	5,740,833	433,977	7.6%	1.0183
2017	5,577,404	883,779	15.8%	0.9820
2018	5,410,747	1,039,405	19.2%	0.9470
2019	5,250,705	1,205,597	23.0%	0.9132
2020	5,093,789	1,382,378	27.1%	0.8806
2021	4,934,025	1,569,089	31.8%	0.8492
2022	4,769,588	1,763,747	37.0%	0.8189
2023	4,598,384	1,967,354	42.8%	0.7897
2024	4,421,481	2,172,224	49.1%	0.7615
2025	4,240,624	2,384,765	56.2%	0.7343
2026	4,056,158	2,605,870	64.2%	0.7081
2027	3,868,318	2,836,856	73.3%	0.6828
2028	3,677,406	3,081,285	83.8%	0.6585
2029	3,483,841	3,326,090	95.5%	0.6350
2030	3,288,161	3,569,246	108.5%	0.6123
2031	3,091,112	3,807,439	123.2%	0.5905
2032	2,893,640	4,031,532	139.3%	0.5694
2033	2,696,795	4,234,202	157.0%	0.5491
2034	2,501,708	4,416,421	176.5%	0.5295
2035	2,309,561	4,572,362	198.0%	0.5106
2036	2,121,614	4,693,719	221.2%	0.4924
2037	1,939,106	4,774,155	246.2%	0.4748
2038	1,763,135	4,812,848	273.0%	0.4579
2039	1,594,693	4,808,621	301.5%	0.4415
2040	1,434,736	4,762,379	331.9%	0.4258
2041	1,284,073	4,673,509	364.0%	0.4106
2042	1,143,330	4,540,541	397.1%	0.3960
2043	1,012,938	4,369,641	431.4%	0.3818
2044	893,095	4,166,049	466.5%	0.3682
2045	783,796	3,940,875	502.8%	0.3551
2046	684,848	3,692,628	539.2%	0.3424
2047	595,950	3,429,125	575.4%	0.3302
2048	516,653	3,156,576	611.0%	0.3184
2049	446,420	2,882,535	645.7%	0.3070
2050	384,625	2,614,751	679.8%	0.2961
2051	330,567	2,356,543	712.9%	0.2855
2052	283,532	2,110,907	744.5%	0.2753
2053	242,808	1,882,630	775.4%	0.2655
2054	207,693	1,671,762	804.9%	0.2560
2055	177,502	1,480,046	833.8%	0.2469
2056	151,614	1,308,321	862.9%	0.2381
2057	129,452	1,152,596	890.4%	0.2296
2058	110,490	1,015,479	919.1%	0.2214
2059	94,260	893,936	948.4%	0.2135
2060	80,358	786,351	978.6%	0.2059
2061	68,439	691,746	1010.7%	0.1985
2062	58,212	606,850	1042.5%	0.1915
2063	49,429	531,618	1075.5%	0.1846
2064	41,884	464,612	1109.3%	0.1780
2065	35,402	404,872	1143.7%	0.1717
2066	29,831	351,988	1179.9%	0.1656
2067	25,045	304,784	1216.9%	0.1597
2068	20,936	262,626	1254.4%	0.1540
2069	17,415	225,310	1293.8%	0.1485
2070	14,403	192,463	1336.2%	0.1432
2071	11,836	163,825	1384.1%	0.1381
2072	9,656	138,740	1436.8%	0.1331
2073	7,816	116,622	1492.1%	0.1284
2074	6,270	97,437	1554.1%	0.1238
2075	4,978	80,926	1625.6%	0.1194
2076	3,907	66,918	1712.8%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	28,417,692	2,397,369	8.4%	
Projected	65,146,258	62,367,780	95.7%	
Lifetime	93,563,950	64,765,149	69.2%	



LifeSecure Insurance Company Without Rate Increase 3% Compound Inflation Policies Only				
	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	32,078	1,204	3.8%	1.4122
2008	57,395	2,264	3.9%	1.3618
2009	126,369	5,870	4.6%	1.3132
2010	246,216	8,496	3.5%	1.2664
2011	617,810	32,002	5.2%	1.2212
2012	1,607,240	62,653	3.9%	1.1776
2013	3,392,215	15,897	0.5%	1.1356
2014	6,885,604	283,407	4.1%	1.0951
2015	7,663,280	150,334	2.0%	1.0560
2016	7,395,218	75,433	1.0%	1.0183
2017	7,281,962	538,454	7.4%	0.9820
2018	7,095,698	663,277	9.3%	0.9470
2019	6,926,319	806,021	11.6%	0.9132
2020	6,747,298	970,509	14.4%	0.8806
2021	6,533,946	1,157,183	17.7%	0.8492
2022	6,233,066	1,362,106	21.9%	0.8189
2023	5,891,029	1,588,093	27.0%	0.7897
2024	5,264,570	1,827,285	34.7%	0.7615
2025	4,994,225	2,092,801	41.9%	0.7343
2026	4,805,165	2,388,052	49.7%	0.7081
2027	4,616,438	2,719,279	58.9%	0.6828
2028	4,420,477	3,092,788	70.0%	0.6585
2029	4,218,867	3,503,930	83.1%	0.6350
2030	4,009,737	3,944,071	98.4%	0.6123
2031	3,797,012	4,414,856	116.3%	0.5905
2032	3,574,553	4,910,393	137.4%	0.5694
2033	3,356,867	5,412,604	161.2%	0.5491
2034	3,139,831	5,926,960	188.8%	0.5295
2035	2,920,792	6,440,535	220.5%	0.5106
2036	2,702,124	6,928,356	256.4%	0.4924
2037	2,485,916	7,380,817	296.9%	0.4748
2038	2,272,376	7,784,179	342.6%	0.4579
2039	2,064,701	8,134,019	394.0%	0.4415
2040	1,864,893	8,403,528	450.6%	0.4258
2041	1,671,867	8,588,740	513.7%	0.4106
2042	1,489,220	8,662,371	581.7%	0.3960
2043	1,318,838	8,632,326	654.5%	0.3818
2044	1,161,310	8,513,048	733.1%	0.3682
2045	1,015,936	8,305,870	817.6%	0.3551
2046	883,275	8,017,983	907.8%	0.3424
2047	764,224	7,646,732	1000.6%	0.3302
2048	657,705	7,215,538	1097.1%	0.3184
2049	563,405	6,746,624	1197.5%	0.3070
2050	480,640	6,259,637	1302.4%	0.2961
2051	408,480	5,758,301	1409.7%	0.2855
2052	345,995	5,246,323	1516.3%	0.2753
2053	292,238	4,747,018	1624.4%	0.2655
2054	246,250	4,262,440	1730.9%	0.2560
2055	207,129	3,807,980	1838.5%	0.2469
2056	174,028	3,384,072	1944.6%	0.2381
2057	146,130	2,988,932	2045.4%	0.2296
2058	122,669	2,633,787	2147.1%	0.2214
2059	102,956	2,313,999	2247.6%	0.2135
2060	86,396	2,036,379	2357.0%	0.2059
2061	72,469	1,793,532	2474.9%	0.1985
2062	60,746	1,579,359	2599.9%	0.1915
2063	50,872	1,391,721	2735.8%	0.1846
2064	42,547	1,221,827	2871.7%	0.1780
2065	35,530	1,073,746	3022.1%	0.1717
2066	29,607	943,839	3187.9%	0.1656
2067	24,604	828,275	3366.4%	0.1597
2068	20,381	725,299	3558.7%	0.1540
2069	16,816	631,159	3753.2%	0.1485
2070	13,809	546,589	3958.2%	0.1432
2071	11,277	470,168	4169.4%	0.1381
2072	9,150	403,567	4410.4%	0.1331
2073	7,375	343,014	4650.7%	0.1284
2074	5,903	287,602	4872.2%	0.1238
2075	4,689	239,120	5099.8%	0.1194
2076	3,694	197,142	5336.3%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	30,264,190	700,092	2.3%	
Projected	82,513,130	91,040,489	110.3%	
Lifetime	112,777,320	91,740,581	81.3%	

LifeSecure Insurance Company  
Without Rate Increase  
5% Compound Inflation Policies Only

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	11,408	428	3.8%	1.4122
2008	28,106	1,424	5.1%	1.3618
2009	37,697	234	0.6%	1.3132
2010	51,823	1,745	3.4%	1.2664
2011	196,736	13,449	6.8%	1.2212
2012	464,979	16,013	3.4%	1.1776
2013	995,350	4,379	0.4%	1.1356
2014	1,919,174	76,553	4.0%	1.0951
2015	2,116,178	125,940	6.0%	1.0560
2016	2,035,242	- 129,520	-6.4%	1.0183
2017	1,961,908	75,261	3.8%	0.9820
2018	1,913,486	93,801	4.9%	0.9470
2019	1,872,109	115,533	6.2%	0.9132
2020	1,829,807	141,375	7.7%	0.8806
2021	1,774,408	172,385	9.7%	0.8492
2022	1,692,033	206,830	12.2%	0.8189
2023	1,533,576	245,872	16.0%	0.7897
2024	1,151,454	288,145	25.0%	0.7615
2025	1,068,918	336,278	31.5%	0.7343
2026	1,037,595	392,982	37.9%	0.7081
2027	1,002,393	456,854	45.6%	0.6828
2028	968,740	532,667	55.0%	0.6585
2029	932,496	620,064	66.5%	0.6350
2030	897,081	718,591	80.1%	0.6123
2031	857,204	832,241	97.1%	0.5905
2032	818,522	959,373	117.2%	0.5694
2033	780,676	1,100,866	141.0%	0.5491
2034	740,730	1,257,031	169.7%	0.5295
2035	700,579	1,430,064	204.1%	0.5106
2036	659,179	1,616,449	245.2%	0.4924
2037	619,039	1,812,523	292.8%	0.4748
2038	579,642	2,020,154	348.5%	0.4579
2039	540,285	2,231,635	413.0%	0.4415
2040	501,166	2,440,232	486.9%	0.4258
2041	462,060	2,648,586	573.2%	0.4106
2042	419,317	2,846,486	678.8%	0.3960
2043	380,907	3,027,492	794.8%	0.3818
2044	345,378	3,185,110	922.2%	0.3682
2045	311,371	3,318,905	1065.9%	0.3551
2046	279,102	3,421,009	1225.7%	0.3424
2047	248,745	3,490,880	1403.4%	0.3302
2048	220,412	3,522,794	1598.3%	0.3184
2049	194,197	3,515,497	1810.3%	0.3070
2050	170,137	3,479,605	2045.2%	0.2961
2051	148,229	3,403,328	2296.0%	0.2855
2052	128,442	3,301,525	2570.4%	0.2753
2053	110,691	3,184,495	2876.9%	0.2655
2054	94,884	3,046,828	3211.1%	0.2560
2055	80,930	2,883,730	3563.3%	0.2469
2056	68,691	2,709,828	3945.0%	0.2381
2057	57,708	2,529,540	4383.3%	0.2296
2058	48,190	2,351,009	4878.6%	0.2214
2059	39,900	2,172,211	5444.1%	0.2135
2060	32,798	1,986,917	6058.0%	0.2059
2061	26,971	1,798,438	6668.1%	0.1985
2062	22,040	1,616,054	7332.3%	0.1915
2063	17,894	1,446,598	8084.1%	0.1846
2064	14,439	1,282,829	8884.5%	0.1780
2065	11,582	1,128,660	9744.5%	0.1717
2066	9,239	982,799	10637.4%	0.1656
2067	7,329	850,428	11603.8%	0.1597
2068	5,777	733,100	12689.7%	0.1540
2069	4,525	626,765	13850.7%	0.1485
2070	3,521	530,173	15057.5%	0.1432
2071	2,720	442,914	16284.4%	0.1381
2072	2,085	367,045	17601.2%	0.1331
2073	1,586	300,940	18972.3%	0.1284
2074	1,197	243,771	20357.6%	0.1238
2075	897	199,261	22215.6%	0.1194
2076	666	163,511	24569.3%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	8,496,569	130,246	1.5%	
Projected	20,836,881	31,059,718	149.1%	
Lifetime	29,333,450	31,189,964	106.3%	

LifeSecure Insurance Company				
Without Rate Increase				
Total Policies				
	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	68,982	2,590	3.8%	1.4122
2008	244,732	12,345	5.0%	1.3618
2009	650,838	37,312	5.7%	1.3132
2010	1,232,429	34,878	2.8%	1.2664
2011	2,190,329	92,378	4.2%	1.2212
2012	4,201,913	375,052	8.9%	1.1776
2013	7,807,017	683,961	8.8%	1.1356
2014	14,263,575	834,375	5.8%	1.0951
2015	15,884,714	456,739	2.9%	1.0560
2016	15,171,293	379,891	2.5%	1.0183
2017	14,821,274	1,497,495	10.1%	0.9820
2018	14,419,931	1,796,483	12.5%	0.9470
2019	14,049,133	2,127,151	15.1%	0.9132
2020	13,670,894	2,494,262	18.2%	0.8806
2021	13,242,379	2,898,656	21.9%	0.8492
2022	12,694,686	3,332,682	26.3%	0.8189
2023	12,022,988	3,801,319	31.6%	0.7897
2024	10,837,504	4,287,654	39.6%	0.7615
2025	10,303,767	4,813,844	46.7%	0.7343
2026	9,898,918	5,386,904	54.4%	0.7081
2027	9,487,149	6,012,989	63.4%	0.6828
2028	9,066,623	6,706,740	74.0%	0.6585
2029	8,635,204	7,450,083	86.3%	0.6350
2030	8,194,979	8,231,907	100.5%	0.6123
2031	7,745,327	9,054,535	116.9%	0.5905
2032	7,286,715	9,901,297	135.9%	0.5694
2033	6,834,337	10,747,672	157.3%	0.5491
2034	6,382,269	11,600,412	181.8%	0.5295
2035	5,930,932	12,442,961	209.8%	0.5106
2036	5,482,917	13,238,524	241.5%	0.4924
2037	5,044,062	13,967,495	276.9%	0.4748
2038	4,615,153	14,617,181	316.7%	0.4579
2039	4,199,679	15,174,274	361.3%	0.4415
2040	3,800,795	15,606,139	410.6%	0.4258
2041	3,418,000	15,910,835	465.5%	0.4106
2042	3,051,867	16,049,397	525.9%	0.3960
2043	2,712,683	16,029,458	590.9%	0.3818
2044	2,399,783	15,864,207	661.1%	0.3682
2045	2,111,102	15,565,650	737.3%	0.3551
2046	1,847,225	15,131,619	819.2%	0.3424
2047	1,608,918	14,566,736	905.4%	0.3302
2048	1,394,770	13,894,908	996.2%	0.3184
2049	1,204,022	13,144,656	1091.7%	0.3070
2050	1,035,402	12,353,993	1193.2%	0.2961
2051	887,276	11,518,171	1298.2%	0.2855
2052	757,968	10,658,755	1406.2%	0.2753
2053	645,737	9,814,142	1519.8%	0.2655
2054	548,826	8,981,030	1636.4%	0.2560
2055	465,561	8,171,756	1755.3%	0.2469
2056	394,334	7,402,220	1877.1%	0.2381
2057	333,290	6,671,068	2001.6%	0.2296
2058	281,349	6,000,274	2132.7%	0.2214
2059	237,117	5,380,146	2269.0%	0.2135
2060	199,552	4,809,647	2410.2%	0.2059
2061	167,879	4,283,716	2551.7%	0.1985
2062	140,999	3,802,263	2696.7%	0.1915
2063	118,195	3,369,936	2851.2%	0.1846
2064	98,870	2,969,269	3003.2%	0.1780
2065	82,514	2,607,278	3159.8%	0.1717
2066	68,677	2,278,626	3317.9%	0.1656
2067	56,979	1,983,486	3481.1%	0.1597
2068	47,095	1,721,025	3654.4%	0.1540
2069	38,756	1,483,235	3827.1%	0.1485
2070	31,733	1,269,225	3999.7%	0.1432
2071	25,833	1,076,907	4168.8%	0.1381
2072	20,892	909,352	4352.6%	0.1331
2073	16,778	760,576	4533.3%	0.1284
2074	13,370	628,810	4703.1%	0.1238
2075	10,564	519,307	4915.8%	0.1194
2076	8,267	427,570	5172.1%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	67,178,451	3,227,707	4.8%	
Projected	168,496,270	184,467,986	109.5%	
Lifetime	235,674,720	187,695,694	79.6%	

LifeSecure Insurance Company With 22.4% Rate Increase GPO Policies Only				
	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	25,496	957	3.8%	1.4122
2008	159,232	8,657	5.4%	1.3618
2009	486,772	31,207	6.4%	1.3132
2010	934,391	24,637	2.6%	1.2664
2011	1,375,783	46,927	3.4%	1.2212
2012	2,129,694	296,385	13.9%	1.1776
2013	3,419,453	663,686	19.4%	1.1356
2014	5,458,797	474,415	8.7%	1.0951
2015	6,105,255	180,465	3.0%	1.0560
2016	5,740,833	433,977	7.6%	1.0183
2017	5,577,404	883,779	15.8%	0.9820
2018	5,511,748	1,039,405	18.9%	0.9470
2019	6,426,862	1,205,597	18.8%	0.9132
2020	6,234,798	1,382,378	22.2%	0.8806
2021	6,039,247	1,569,089	26.0%	0.8492
2022	5,837,975	1,763,747	30.2%	0.8189
2023	5,628,421	1,967,354	35.0%	0.7897
2024	5,411,893	2,172,224	40.1%	0.7615
2025	5,190,524	2,384,765	45.9%	0.7343
2026	4,964,738	2,605,870	52.5%	0.7081
2027	4,734,821	2,836,856	59.9%	0.6828
2028	4,501,145	3,081,285	68.5%	0.6585
2029	4,264,221	3,326,090	78.0%	0.6350
2030	4,024,709	3,569,246	88.7%	0.6123
2031	3,783,521	3,807,439	100.6%	0.5905
2032	3,541,815	4,031,532	113.8%	0.5694
2033	3,300,876	4,234,202	128.3%	0.5491
2034	3,062,091	4,416,421	144.2%	0.5295
2035	2,826,903	4,572,362	161.7%	0.5106
2036	2,596,856	4,693,719	180.7%	0.4924
2037	2,373,466	4,774,155	201.1%	0.4748
2038	2,158,077	4,812,848	223.0%	0.4579
2039	1,951,905	4,808,621	246.4%	0.4415
2040	1,756,117	4,762,379	271.2%	0.4258
2041	1,571,706	4,673,509	297.4%	0.4106
2042	1,399,436	4,540,541	324.5%	0.3960
2043	1,239,836	4,369,641	352.4%	0.3818
2044	1,093,149	4,166,049	381.1%	0.3682
2045	959,366	3,940,875	410.8%	0.3551
2046	838,254	3,692,628	440.5%	0.3424
2047	729,442	3,429,125	470.1%	0.3302
2048	632,383	3,156,576	499.2%	0.3184
2049	546,418	2,882,535	527.5%	0.3070
2050	470,781	2,614,751	555.4%	0.2961
2051	404,614	2,356,543	582.4%	0.2855
2052	347,043	2,110,907	608.3%	0.2753
2053	297,197	1,882,630	633.5%	0.2655
2054	254,216	1,671,762	657.6%	0.2560
2055	217,262	1,480,046	681.2%	0.2469
2056	185,576	1,308,321	705.0%	0.2381
2057	158,449	1,152,596	727.4%	0.2296
2058	135,240	1,015,479	750.9%	0.2214
2059	115,374	893,936	774.8%	0.2135
2060	98,358	786,351	799.5%	0.2059
2061	83,770	691,746	825.8%	0.1985
2062	71,252	606,850	851.7%	0.1915
2063	60,501	531,618	878.7%	0.1846
2064	51,266	464,612	906.3%	0.1780
2065	43,331	404,872	934.4%	0.1717
2066	36,514	351,988	964.0%	0.1656
2067	30,656	304,784	994.2%	0.1597
2068	25,626	262,626	1024.8%	0.1540
2069	21,316	225,310	1057.0%	0.1485
2070	17,630	192,463	1091.7%	0.1432
2071	14,488	163,825	1130.8%	0.1381
2072	11,819	138,740	1173.8%	0.1331
2073	9,567	116,622	1219.0%	0.1284
2074	7,674	97,437	1269.7%	0.1238
2075	6,093	80,926	1328.1%	0.1194
2076	4,782	66,918	1399.3%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	28,417,692	2,397,369	8.4%	
Projected	77,460,093	62,367,780	80.5%	
Lifetime	105,877,785	64,765,149	61.2%	

LifeSecure Insurance Company  
With 38.2% Rate Increase  
3% Compound Inflation Policies Only

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	32,078	1,204	3.8%	1.4122
2008	57,395	2,264	3.9%	1.3618
2009	126,369	5,870	4.6%	1.3132
2010	246,216	8,496	3.5%	1.2664
2011	617,810	32,002	5.2%	1.2212
2012	1,607,240	62,653	3.9%	1.1776
2013	3,392,215	15,897	0.5%	1.1356
2014	6,885,604	283,407	4.1%	1.0951
2015	7,663,280	150,334	2.0%	1.0560
2016	7,395,218	75,433	1.0%	1.0183
2017	7,281,962	538,454	7.4%	0.9820
2018	7,321,578	663,277	9.1%	0.9470
2019	9,572,173	806,021	8.4%	0.9132
2020	9,324,766	970,509	10.4%	0.8806
2021	9,029,913	1,157,183	12.8%	0.8492
2022	8,614,097	1,362,106	15.8%	0.8189
2023	8,141,401	1,588,093	19.5%	0.7897
2024	7,275,635	1,827,285	25.1%	0.7615
2025	6,902,019	2,092,801	30.3%	0.7343
2026	6,640,738	2,388,052	36.0%	0.7081
2027	6,379,917	2,719,279	42.6%	0.6828
2028	6,109,099	3,092,788	50.6%	0.6585
2029	5,830,474	3,503,930	60.1%	0.6350
2030	5,541,457	3,944,071	71.2%	0.6123
2031	5,247,470	4,414,856	84.1%	0.5905
2032	4,940,032	4,910,393	99.4%	0.5694
2033	4,639,190	5,412,604	116.7%	0.5491
2034	4,339,246	5,926,960	136.6%	0.5295
2035	4,036,535	6,440,535	159.6%	0.5106
2036	3,734,335	6,928,356	185.5%	0.4924
2037	3,435,536	7,380,817	214.8%	0.4748
2038	3,140,423	7,784,179	247.9%	0.4579
2039	2,853,417	8,134,019	285.1%	0.4415
2040	2,577,282	8,403,528	326.1%	0.4258
2041	2,310,520	8,588,740	371.7%	0.4106
2042	2,058,101	8,662,371	420.9%	0.3960
2043	1,822,634	8,632,326	473.6%	0.3818
2044	1,604,931	8,513,048	530.4%	0.3682
2045	1,404,023	8,305,870	591.6%	0.3551
2046	1,220,686	8,017,983	656.8%	0.3424
2047	1,056,157	7,646,732	724.0%	0.3302
2048	908,949	7,215,538	793.8%	0.3184
2049	778,626	6,746,624	866.5%	0.3070
2050	664,245	6,259,637	942.4%	0.2961
2051	564,519	5,758,301	1020.0%	0.2855
2052	478,165	5,246,323	1097.2%	0.2753
2053	403,873	4,747,018	1175.4%	0.2655
2054	340,317	4,262,440	1252.5%	0.2560
2055	286,253	3,807,980	1330.3%	0.2469
2056	240,507	3,384,072	1407.1%	0.2381
2057	201,951	2,988,932	1480.0%	0.2296
2058	169,529	2,633,787	1553.6%	0.2214
2059	142,286	2,313,999	1626.3%	0.2135
2060	119,399	2,036,379	1705.5%	0.2059
2061	100,152	1,793,532	1790.8%	0.1985
2062	83,951	1,579,359	1881.3%	0.1915
2063	70,305	1,391,721	1979.6%	0.1846
2064	58,801	1,221,827	2077.9%	0.1780
2065	49,103	1,073,746	2186.7%	0.1717
2066	40,917	943,839	2306.7%	0.1656
2067	34,003	828,275	2435.9%	0.1597
2068	28,167	725,299	2575.0%	0.1540
2069	23,240	631,159	2715.8%	0.1485
2070	19,084	546,589	2864.1%	0.1432
2071	15,584	470,168	3016.9%	0.1381
2072	12,646	403,567	3191.3%	0.1331
2073	10,193	343,014	3365.2%	0.1284
2074	8,158	287,602	3525.5%	0.1238
2075	6,480	239,120	3690.2%	0.1194
2076	5,106	197,142	3861.3%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	30,264,190	700,092	2.3%	
Projected	108,948,621	91,040,489	83.6%	
Lifetime	139,212,811	91,740,581	65.9%	

LifeSecure Insurance Company  
With 54.2% Rate Increase  
5% Compound Inflation Policies Only

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	11,408	428	3.8%	1.4122
2008	28,106	1,424	5.1%	1.3618
2009	37,697	234	0.6%	1.3132
2010	51,823	1,745	3.4%	1.2664
2011	196,736	13,449	6.8%	1.2212
2012	464,979	16,013	3.4%	1.1776
2013	995,350	4,379	0.4%	1.1356
2014	1,919,174	76,553	4.0%	1.0951
2015	2,116,178	125,940	6.0%	1.0560
2016	2,035,242	-129,520	-6.4%	1.0183
2017	1,961,908	75,261	3.8%	0.9820
2018	1,999,912	93,801	4.7%	0.9470
2019	2,886,792	115,533	4.0%	0.9132
2020	2,821,563	141,375	5.0%	0.8806
2021	2,736,137	172,385	6.3%	0.8492
2022	2,609,114	206,830	7.9%	0.8189
2023	2,364,775	245,872	10.4%	0.7897
2024	1,775,541	288,145	16.2%	0.7615
2025	1,648,271	336,278	20.4%	0.7343
2026	1,599,971	392,982	24.6%	0.7081
2027	1,545,690	456,854	29.6%	0.6828
2028	1,493,797	532,667	35.7%	0.6585
2029	1,437,909	620,064	43.1%	0.6350
2030	1,383,299	718,591	51.9%	0.6123
2031	1,321,809	832,241	63.0%	0.5905
2032	1,262,161	959,373	76.0%	0.5694
2033	1,203,802	1,100,866	91.4%	0.5491
2034	1,142,206	1,257,031	110.1%	0.5295
2035	1,080,293	1,430,064	132.4%	0.5106
2036	1,016,454	1,616,449	159.0%	0.4924
2037	954,558	1,812,523	189.9%	0.4748
2038	893,808	2,020,154	226.0%	0.4579
2039	833,120	2,231,635	267.9%	0.4415
2040	772,798	2,440,232	315.8%	0.4258
2041	712,496	2,648,586	371.7%	0.4106
2042	646,587	2,846,486	440.2%	0.3960
2043	587,359	3,027,492	515.4%	0.3818
2044	532,573	3,185,110	598.1%	0.3682
2045	480,134	3,318,905	691.2%	0.3551
2046	430,375	3,421,009	794.9%	0.3424
2047	383,564	3,490,880	910.1%	0.3302
2048	339,875	3,522,794	1036.5%	0.3184
2049	299,451	3,515,497	1174.0%	0.3070
2050	262,351	3,479,605	1326.3%	0.2961
2051	228,569	3,403,328	1489.0%	0.2855
2052	198,057	3,301,525	1667.0%	0.2753
2053	170,685	3,184,495	1865.7%	0.2655
2054	146,311	3,046,828	2082.4%	0.2560
2055	124,794	2,883,730	2310.8%	0.2469
2056	105,921	2,709,828	2558.3%	0.2381
2057	88,986	2,529,540	2842.6%	0.2296
2058	74,309	2,351,009	3163.8%	0.2214
2059	61,526	2,172,211	3530.5%	0.2135
2060	50,575	1,986,917	3928.7%	0.2059
2061	41,589	1,798,438	4324.3%	0.1985
2062	33,986	1,616,054	4755.1%	0.1915
2063	27,593	1,446,598	5242.6%	0.1846
2064	22,265	1,282,829	5761.7%	0.1780
2065	17,860	1,128,660	6319.4%	0.1717
2066	14,247	982,799	6898.5%	0.1656
2067	11,301	850,428	7525.2%	0.1597
2068	8,908	733,100	8229.4%	0.1540
2069	6,978	626,765	8982.3%	0.1485
2070	5,429	530,173	9764.9%	0.1432
2071	4,194	442,914	10560.5%	0.1381
2072	3,216	367,045	11414.5%	0.1331
2073	2,446	300,940	12303.7%	0.1284
2074	1,846	243,771	13202.1%	0.1238
2075	1,383	199,261	14407.0%	0.1194
2076	1,026	163,511	15933.4%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	8,496,569	130,246	1.5%	
Projected	30,185,999	31,059,718	102.9%	
Lifetime	38,682,568	31,189,964	80.6%	

LifeSecure Insurance Company With Rate Increase Total Policies				
	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at
2007	68,982	2,590	3.8%	1.4122
2008	244,732	12,345	5.0%	1.3618
2009	650,838	37,312	5.7%	1.3132
2010	1,232,429	34,878	2.8%	1.2664
2011	2,190,329	92,378	4.2%	1.2212
2012	4,201,913	375,052	8.9%	1.1776
2013	7,807,017	683,961	8.8%	1.1356
2014	14,263,575	834,375	5.8%	1.0951
2015	15,884,714	456,739	2.9%	1.0560
2016	15,171,293	379,891	2.5%	1.0183
2017	14,821,274	1,497,495	10.1%	0.9820
2018	14,833,238	1,796,483	12.1%	0.9470
2019	18,885,828	2,127,151	11.3%	0.9132
2020	18,381,126	2,494,262	13.6%	0.8806
2021	17,805,297	2,898,656	16.3%	0.8492
2022	17,061,186	3,332,682	19.5%	0.8189
2023	16,134,598	3,801,319	23.6%	0.7897
2024	14,463,069	4,287,654	29.6%	0.7615
2025	13,740,814	4,813,844	35.0%	0.7343
2026	13,205,447	5,386,904	40.8%	0.7081
2027	12,660,429	6,012,989	47.5%	0.6828
2028	12,104,041	6,706,740	55.4%	0.6585
2029	11,532,604	7,450,083	64.6%	0.6350
2030	10,949,465	8,231,907	75.2%	0.6123
2031	10,352,799	9,054,535	87.5%	0.5905
2032	9,744,008	9,901,297	101.6%	0.5694
2033	9,143,869	10,747,672	117.5%	0.5491
2034	8,543,542	11,600,412	135.8%	0.5295
2035	7,943,730	12,442,961	156.6%	0.5106
2036	7,347,644	13,238,524	180.2%	0.4924
2037	6,763,561	13,967,495	206.5%	0.4748
2038	6,192,308	14,617,181	236.1%	0.4579
2039	5,638,441	15,174,274	269.1%	0.4415
2040	5,106,197	15,606,139	305.6%	0.4258
2041	4,594,722	15,910,835	346.3%	0.4106
2042	4,104,124	16,049,397	391.1%	0.3960
2043	3,649,828	16,029,458	439.2%	0.3818
2044	3,230,652	15,864,207	491.1%	0.3682
2045	2,843,523	15,565,650	547.4%	0.3551
2046	2,489,315	15,131,619	607.9%	0.3424
2047	2,169,164	14,566,736	671.5%	0.3302
2048	1,881,206	13,894,908	738.6%	0.3184
2049	1,624,495	13,144,656	809.2%	0.3070
2050	1,397,377	12,353,993	884.1%	0.2961
2051	1,197,702	11,518,171	961.7%	0.2855
2052	1,023,265	10,658,755	1041.6%	0.2753
2053	871,755	9,814,142	1125.8%	0.2655
2054	740,844	8,981,030	1212.3%	0.2560
2055	628,308	8,171,756	1300.6%	0.2469
2056	532,004	7,402,220	1391.4%	0.2381
2057	449,386	6,671,068	1484.5%	0.2296
2058	379,078	6,000,274	1582.9%	0.2214
2059	319,186	5,380,146	1685.6%	0.2135
2060	268,332	4,809,647	1792.4%	0.2059
2061	225,510	4,283,716	1899.6%	0.1985
2062	189,189	3,802,263	2009.8%	0.1915
2063	158,399	3,369,936	2127.5%	0.1846
2064	132,331	2,969,269	2243.8%	0.1780
2065	110,294	2,607,278	2363.9%	0.1717
2066	91,677	2,278,626	2485.5%	0.1656
2067	75,960	1,983,486	2611.2%	0.1597
2068	62,701	1,721,025	2744.8%	0.1540
2069	51,534	1,483,235	2878.2%	0.1485
2070	42,143	1,269,225	3011.7%	0.1432
2071	34,266	1,076,907	3142.8%	0.1381
2072	27,681	909,352	3285.1%	0.1331
2073	22,206	760,576	3425.2%	0.1284
2074	17,679	628,810	3556.9%	0.1238
2075	13,956	519,307	3720.9%	0.1194
2076	10,914	427,570	3917.7%	0.1151
Accumulated and Present Values as of 12/31/2016:				
Historical	67,178,451	3,227,707	4.8%	
Projected	216,594,713	184,467,986	85.2%	
Lifetime	283,773,164	187,695,694	66.1%	

**LifeSecure Insurance Company**  
**ACTUARIAL JUSTIFICATION OF PREMIUM RATES**  
**Long Term Care Policies**

**Exhibit D – Projection Assumptions**

1. Interest

A 3.7% effective annual rate of interest has been assumed for accumulating historical experience and for discounting projected future experience. This is the average of the prescribed statutory valuation interest rates by policy issue year weighted on sales premium.

2. Mortality

For non-claimant lives, mortality was assumed to be equal to the 1994 Group Annuity Mortality table, with selection applied. Mortality selection was assumed to increase from 0.2 in the first policy year to 0.9 by the tenth year. The mortality of claimant lives was assumed to be equal to four times the 1979-1981 US Life Mortality Table. This is consistent with the assumptions used for the currently marketed product.

3. Voluntary Lapse Rates

The voluntary lapse rates assumed are as follows:

Voluntary Lapse Rates - Individuals and Employee-paid Members of Groups			
<u>Policy</u> <u>Duration</u>	<u>Issue Ages</u> <u>&lt;50</u>	<u>Issue Ages</u> <u>60-64</u>	<u>Issue Ages</u> <u>65+</u>
1	8.00%	5.50%	4.00%
2	6.00	3.75	3.00
3	4.00	2.50	2.00
4	3.00	1.75	1.75
5	2.50	1.50	1.50
6	2.00	1.25	1.25
7	1.50	1.25	1.25
8+	1.00	1.00	1.00



Voluntary Lapse Rates - Individuals where Employer is Contributing	
<u>Policy Duration</u>	<u>Lapse Rates</u> <u>(All Issue Ages)</u>
1	8.00%
2	5.0
3	5.0
4	4.0
5	3.5
6+ (through age 64)	3.0
Attained ages 65+	1.0

These rates are consistent with the assumptions used for the currently marketed product.

#### 4. Morbidity

Milliman's 2014 Long Term Care Cost Guidelines were utilized. Milliman's basis for the cost guidelines is governmental studies, experience of clients, and the expertise and judgment of Milliman actuaries.

To these claim costs, durational select factors, also determined by Milliman, were applied to allow for the impact of underwriting. Durational select factors vary by married and single applicants, to reflect the different morbidity experienced by those two groups. Different select factors were used for sales made using simplified underwriting.

These claim costs are consistent with the company's current pricing assumptions. The currently marketed product used Milliman's 2011 Long Term Care Cost Guidelines.

LifeSecure Insurance Company

ACTUARIAL JUSTIFICATION OF PREMIUM RATES  
Long Term Care Policies

Exhibit F – IRR of Distributable Earnings; Trigger is 10% IRR

Year	Actual Earned Premium	Expected Investment Income	Expected Expenses (ALR,Comm,Admin)	Actual Incurred Claims	Pre-Tax Profit	Post-Tax Profit	Contribution to RBC less After Tax Inc on RBC	Distributable Earnings	Accum(Dist Earn) @ 3.89%
2007	68,982	104	98,075	2,590	-31,579	-22,385	18,000	-40,385	-58,053
2008	244,732	4,390	374,008	12,345	-137,230	-95,702	47,939	-143,641	-198,744
2009	650,838	17,561	798,087	37,312	-167,000	-125,574	114,119	-239,693	-319,213
2010	1,232,429	44,407	1,415,424	34,878	-173,466	-144,244	155,221	-299,465	-383,868
2011	2,190,329	94,676	2,568,470	92,378	-375,843	-299,067	268,550	-567,617	-700,327
2012	4,201,913	199,005	5,156,568	375,052	-1,130,702	-839,326	635,703	-1,475,028	-1,751,684
2013	7,807,017	412,229	9,378,660	683,961	-1,843,375	-1,391,107	1,103,969	-2,495,076	-2,851,998
2014	14,263,575	821,072	17,180,390	834,375	-2,930,117	-2,255,311	1,860,318	-4,115,630	-4,528,054
2015	15,884,714	1,566,024	17,956,042	456,739	-962,043	-990,013	583,181	-1,573,195	-1,665,972
2016	15,171,293	2,376,429	16,407,291	379,891	760,540	189,518	12,378	177,140	180,556

Year	Projected Earned Premium	Projected Investment Income	Projected Expenses (ALR,Comm,Admin)	Projected Incurred Claims	Pre-Tax Profit	Post-Tax Profit	Contribution to RBC - After Tax Inc on RBC	Distributable Earnings	PV(Dist Earn) @ 3.89%
2017	14,821,274	2,052,617	16,859,275	1,497,495	-1,482,879	-1,647,774	460,037	-2,107,810	-2,067,933
2018	14,419,931	2,713,180	16,632,604	1,796,483	-1,295,976	-1,025,361	409,498	-1,434,859	-1,354,952
2019	14,049,133	3,369,657	16,318,725	2,127,151	-1,027,086	-781,931	458,744	-1,240,675	-1,127,672
2020	13,670,894	4,012,970	15,891,256	2,494,262	-701,654	-523,158	470,139	-993,298	-868,988
2021	13,242,379	4,639,156	15,495,855	2,898,656	-512,976	-353,958	469,465	-823,423	-693,374
2022	12,694,686	5,252,081	14,870,939	3,332,682	-256,855	-140,232	444,012	-584,244	-473,531
2023	12,022,988	5,846,234	13,881,684	3,801,319	186,220	195,839	399,623	-203,784	-158,977
2024	10,837,504	6,402,398	12,098,481	4,287,654	853,767	682,853	266,199	416,654	312,860
2025	10,303,767	6,912,685	11,396,943	4,813,844	1,005,665	807,372	349,353	458,019	331,030
2026	9,898,918	7,392,144	10,876,659	5,386,904	1,027,499	829,916	343,749	486,167	338,204
2027	9,487,149	7,847,330	10,283,051	6,012,989	1,038,440	751,321	315,111	436,211	292,079
2028	9,066,623	8,275,625	9,595,458	6,706,740	1,040,050	749,299	285,433	463,866	298,955
2029	8,635,204	8,673,026	8,810,836	7,450,083	1,047,312	751,157	255,508	495,650	307,467
2030	8,194,979	9,035,339	7,939,141	8,231,907	1,059,271	756,155	221,380	534,774	319,304
2031	7,745,327	9,357,557	6,970,935	9,054,535	1,077,414	765,341	181,392	583,949	335,597
2032	7,286,715	9,634,807	5,929,347	9,901,297	1,090,877	771,680	135,273	636,407	352,037
2033	6,834,337	9,863,161	4,832,420	10,747,672	1,117,407	786,929	79,251	707,678	376,790
2034	6,382,269	10,038,490	3,669,747	11,600,412	1,150,600	807,819	16,442	791,377	405,561
2035	5,930,932	10,157,133	2,458,600	12,442,961	1,186,504	831,455	-53,077	884,532	436,312
2036	5,482,917	10,216,124	1,215,829	13,238,524	1,244,688	869,497	-135,733	1,005,229	477,263
2037	5,044,062	10,212,979	-18,655	13,967,495	1,308,201	910,658	-229,213	1,139,871	520,905
2038	4,615,153	10,146,926	-1,239,459	14,617,181	1,384,357	959,718	-333,219	1,292,937	568,709
2039	4,199,679	10,017,833	-2,417,368	15,174,274	1,460,606	1,008,486	-444,645	1,453,131	615,216
2040	3,800,795	9,827,239	-3,537,661	15,606,139	1,559,557	1,071,639	-567,407	1,639,046	667,919
2041	3,418,000	9,577,140	-4,574,575	15,910,835	1,658,880	1,134,765	-693,864	1,828,629	717,246
2042	3,051,867	9,271,506	-5,485,017	16,049,397	1,758,993	1,198,150	-829,885	2,028,035	765,646
2043	2,712,683	8,916,042	-6,257,178	16,029,458	1,856,444	1,259,342	-963,561	2,222,903	807,761
2044	2,399,783	8,517,513	-6,886,835	15,864,207	1,939,925	1,311,098	-1,088,493	2,399,591	839,285
2045	2,111,102	8,083,440	-7,377,771	15,565,650	2,006,663	1,351,728	-1,199,522	2,551,251	858,885
2046	1,847,225	7,621,618	-7,715,862	15,131,619	2,053,085	1,378,954	-1,297,478	2,676,432	867,257
2047	1,608,918	7,140,353	-7,896,990	14,566,736	2,079,524	1,393,022	-1,382,022	2,775,044	865,509
2048	1,394,770	6,647,986	-7,947,956	13,894,908	2,095,804	1,400,399	-1,448,947	2,849,346	855,376
2049	1,204,022	6,151,912	-7,874,091	13,144,656	2,085,369	1,390,376	-1,492,282	2,882,658	832,942
2050	1,035,402	5,659,563	-7,701,603	12,353,993	2,042,575	1,359,340	-1,506,172	2,865,512	796,955
2051	887,276	5,177,426	-7,435,444	11,518,171	1,981,976	1,316,808	-1,502,361	2,819,170	754,679
2052	757,968	4,710,917	-7,084,630	10,658,755	1,894,761	1,257,108	-1,480,480	2,737,588	705,374
2053	645,737	4,264,934	-6,681,959	9,814,142	1,778,488	1,178,686	-1,436,151	2,614,838	648,494
2054	548,826	3,843,138	-6,223,775	8,981,030	1,634,709	1,082,571	-1,379,319	2,461,889	587,678
2055	465,561	3,448,793	-5,753,773	8,171,756	1,496,371	990,193	-1,312,380	2,302,572	529,047
2056	394,334	3,082,858	-5,286,217	7,402,220	1,361,188	900,079	-1,235,433	2,135,512	472,273
2057+	1,998,708	20,052,465	-40,849,206	52,951,716	9,948,664	6,554,200	5,792,342	761,859	162,172
Total:									0

**Long Term Care Insurance Rate Request Summary**  
**Part 1 – To Be Completed By Company**

**Company Name and NAIC Number:** LifeSecure Insurance Company NAIC Number 77720

**SERFF Tracking Number:** LFSC-131119865

**Revised Rates**

**Average Annual Premium Per Member:** 2902

**Average Requested Percentage Rate Change Per Member:** 38.7%

**Range of Requested Rate Changes:** 22.4% - 54.2%

**Number of Virginia Policyholders Affected:** 208

Form Number	Product Name	Issue Dates	Prior Rate Increases – Date and Percentage Approved	Outlook for Future Rate Increases
LS-0002 VA 07/07	Long Term Care	January 2010 - July 2014	None	Will need future rate increases.

**Attach a narrative to summarize the key information used to develop the rates including the main drivers for the revised rates.**

This document is prepared by the carrier to help explain the requested rate change and is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing at <https://www.scc.virginia.gov/boi/SERFFInquiry/default.aspx>.

(Rev. 06/19)

[Insured's Name]                      **PREMIUM INCREASE SELECTION OPTION FORM**                      Policy Number: [   ]

**Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete this form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.**

[Variable 1:

☐ **Reduce my coverage so that my new premium payments will stay approximately the same as my current payment**

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium. **Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.]**

[Variable 2:]

☐ **Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

- [Variable 2a:

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. The revised Benefit Bank is reduced by the sum of all benefits previously paid to You. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option.]

- [Variable 2b:

☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable. The revised Benefit Bank is reduced by the sum of all benefits previously paid to You.

If you elect this exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 3:

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. The revised Benefit Bank is reduced by the sum of all benefits previously paid to you. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]



LifeSecure Insurance Company  
Policyholder Support  
[P.O. Box 1019  
Brighton, MI 48116  
Fax: 877.226.0925]

I have carefully reviewed the enclosed information and understand my options. I authorize LifeSecure to amend my coverage as indicated on this form.

**Policyholder's Signature**

**Policyholder's Printed Name**

**Date**

**Current Email Address (Optional)**

**Current Address**

**City, State and Zip**

**Current Telephone Number**

[Mailing Date]

**Important Notice: Upcoming Long  
Term Care Premium Rate Increase**[Policyholder Name]  
[Address]  
[City, State and Zip]

Policy Number: [     ]

**This is not a bill - you do not need to send any payment to us at this time.**

Dear [Policyholder Name]:

After a careful review, we have found that a premium increase is necessary to continue providing your long term care coverage. Your premium is not being increased due to changes in your personal health, age or claims history. We recognize and value your loyalty to LifeSecure Insurance Company for your long term care insurance needs. We are grateful to have earned your trust over the years, and we are committed to providing you with quality long term care coverage at affordable rates.

Our decision to increase premium rates was made after thoroughly evaluating a variety of factors that impact premium rates. Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipate future claims. This increase applies to everyone who purchased a policy under a specific policy series and was filed and approved by Virginia State Corporation Commission.

We maintain the right to raise premiums in the future. Should there be future rate increases, options similar to those being offered now will be available at that time. You may change your benefits at any time and not just at the time of a rate increase.

The rate increase request was reviewed by Virginia's State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at [www.scc.virginia.gov/BOI](http://www.scc.virginia.gov/BOI). The policyholder has the right to a revised premium or a rate schedule in the event of a rate premium increase.

**What this means to you:**

The rate increase will go into effect on the first premium due date on or after the Increase Effective Date listed in the table below, unless your premium is currently being waived because of your claim status. If you are currently on Waiver of Premium, you will not be affected by this rate increase at this time. If your Policy returns to active premium paying status, you will receive a new notification letter which will also include a Selection Option Form outlining the options that are available to you at that time.

The following chart represents the upcoming change to your premium. If you pay your premium through a payroll deduction, the new premium will be in effect for the first premium due on or after the Increase Effective Date. If we do not hear from you by the effective date shown below, your new premium will go into effect. You will receive an updated Schedule of Benefits which should be retained with your policy.

If you have received, recently accepted, or are expecting to receive a Guaranteed Future Purchase Offer, the new premium shown below may not reflect the increased premium for that offer.

Your Current Premium	Your New Premium	Percentage of Increase	Increase Effective Date
[Current Premium] [Current Premium Mode]	[New Premium] [Current Premium Mode]	[%]	[Effective Date]

**Your current plan may meet the requirements for Partnership Plan Certification providing you with asset protection. If you decide to change your benefits, this may affect that status.**

[Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete the enclosed form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.]

**[Variable 1:**

☐ **Reduce my coverage so that my new premium payments will stay approximately the same as my current payment**

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from  
[\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium. **Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.]**

**[Variable 2:]**

☐ **Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

• **[Variable 2a:**

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. The revised Benefit Bank is reduced by the sum of all benefits previously paid to You. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

• **[Variable 2b:**

☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable. The revised Benefit Bank is reduced by the sum of all benefits previously paid to You.

If you elect this exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be

paid and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- **[Variable 3:**

**☐ Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. The revised Benefit Bank is reduced by the sum of all benefits previously paid to you. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

We hope you keep your long term care policy. It provides great peace of mind in knowing that if you need long term care, you won't have to bear the cost burden all on your own. We understand if you would like to explore other options to continue your coverage. **All options available may not be of equal value.** It may be best for you to contact us directly to discuss specific options for your coverage. We want to answer any questions you might have. Please call our Policyholder Support team at 888.575.8246 or e-mail us at [phs@yourlifefecure.com](mailto:phs@yourlifefecure.com).

Sincerely,

LifeSecure Policyholder Support



September 21, 2017

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

The following are LifeSecure's responses to your objections:

**Objection 1:** Please find the updated Form Number and the SERFF number for the approval of the referenced policy under the Rate/Rule Schedule tab.

**Objection 2:** Policies were issued in Virginia between 2010 and 2014, and nationwide between 2007 and 2015, well after the 2003 effective date of the rate stability regulation. The line, "a small number of policies issued prior to the effective date of the rate stability regulation" was written for another state, and mistakenly not excluded from the Virginia memo when copying the file. Please ignore it.

**Objection 3:** The rate increase needed is listed in the first part of section 4 of the Actuarial Memorandum: 21% for GPO, 42% for 3 percent compound inflation and 90% for 5 percent compound inflation.

A rate increase is considered anytime the lifetime IRR drops below 10%, the condition for moderately adverse.

**Objection 4:**

**1. Re-state the nationwide experience using Virginia approved rates.**

Nationwide rates do not differ from Virginia rates.

**2. Provide a separate calculation of the Lifetime Loss Ratio so that the historical premium component is restated to what it would be if the proposed premium had been charged (collected) since the forms' introduction.**

PV Premium	310,382,604
PV Claims	191,077,353
Loss Ratio	59.1%

Values accumulated/discounted to yearend 2016.

**3. Please provide an actual-to-expected analysis on each assumption, with expected on both original and current assumption basis.**

Please see Objection Exhibit 1.

**4. Please provide a step-by-step quantification of the impact of the change in each assumption from the original assumptions to the current assumptions.**

Assumption	Cumulative Rate Increase Needed
Distribution	2%
Valuation Rate	4%
Morbidity	22%
Lapse	37%
Mortality	41%

(41% is the nationwide rate increase, averaged over inflation type, before applying the new business cap)

**5. Please use the average maximum statutory valuation interest rate for each block of business to accumulate and discount cash flows.**

The discount rate used was the average maximum statutory valuation interest rate.

**6. Please provide sufficient detail or documentation provided so that any projections can be recreated. Please provide a copy of all projections in Excel with working formulas.**

Please see "Exhibits A-C&F Excel Format.xlsx." Please not a slight error was discovered in the report's formulas, so Exhibit F in the spreadsheet will differ from the Exhibit submitted in the filing. In both cases, the conclusion is the same: the IRR is well below the trigger.

**7. Advise in what states the company has requested rate increases on this block, how the rate changes requested in Virginia compare with those requested in other states, and the current status of the reviews in other states.**

All states' rate increase requests were identical to VA. Below are current statuses:

<u>State</u>	<u>Premium Volume</u>	<u>Policy Count</u>	<u>Status</u>	<u>Approved Amount</u>	<u>Reason for Lower Amount/Disapproval</u>
AK	25,425	47	Approved	21% on GPO, 42% on 3% inflation, 90% on 5% inflation	
AL	99,327	222	Pending		
AR	46,272	543	Disapproved		Too few claims experienced
GA	88,279	185	Approved	15% on all policies	State prefers multiple smaller increases; expects LifeSecure to continue requests
HI	94,543	254	Pending		
IA	48,239	101	Pending		
ID	16,468	26	Pending		
IL	316,805	610	Pending		
KS	81,016	137	Pending		
KY	26,681	48	Pending		
LA	28,492	100	Pending		

MD	81,275	153	Pending		
MI	345,799	852	Pending		
MN	446,636	958	Pending		
MO	89,185	268	Pending		
NC	53,024	144	Pending		
NE	86,701	260	Pending		
NM	32,256	133	Pending		
NV	62,476	169	Pending		
OH	139,389	280	Pending		
OK	94,942	237	Approved	10% on all policies	State prefers multiple smaller increases; expects LifeSecure to continue requests
OR	144,135	248	Pending		
PA	106,895	209	Pending		
RI	16,324	25	Pending		
SC	29,312	53	Pending		
SD	46,109	57	Pending		
TN	153,196	385	Pending		
TX	393,023	1,192	Disapproved		Missing Information
UT	6,965	33	Pending		
VA	148,160	208	Pending		
WA	133,443	407	Pending		
WI	90,462	122	Pending		

- 8. Please provide a loss ratio projection reflecting the actual historical experience during the historical experience period and then, utilizing the actual inforce as of the projection date, projecting forward the expected earned premiums and incurred claims using the original pricing assumptions for interest, mortality, morbidity and persistency into the future and assuming the future premiums are paid based on the original premium scale as if no increases had ever been implemented.**

Please see Objection Exhibit 2.

- 9. Please provide a loss ratio projection (both past and future) which reflects all of the original pricing assumptions for interest, mortality, morbidity, persistency and premium scale, but uses the actual distribution of policies as issued rather than the originally assumed mix of business.**

Please see Objection Exhibit 3.

- 10. Please provide the original targeted pricing loss ratio when the policy(ies) was originally approved.**

The original target loss ratio was 59.6%.

- 11. Please provide a detailed explanation of the data sources and actuarial review performed in setting each assumption, including discussion of any adjustments made to reflect the company's unique business.**

The lapse and mortality assumptions are the same assumptions that were used in pricing the most recent product approved by your state. Milliman performed the pricing work. The lapse rates hit their ultimate rate in durations 6+. The termination rate actual-to-expected ratio of durations 6+ is not credible, with only 38 terminations so far. However, ignoring credibility, the ratio of actual terminations to expected using these assumptions is 0.97, suggesting these assumptions are appropriate.

For morbidity, original pricing used Milliman's 2002 LTC Claim Cost Guidelines. This filing uses the 2014 version. The guidelines are based on studies using fully credible industry data. Selection factors are provided based on LifeSecure's underwriting practices. It is too early to determine if one set is better at modeling this block of business than the other. At early durations, the difference in expected claims between the two Guidelines is negligible relative to the claims during the rest of the product's lifetime. LifeSecure feels the 2014 Guidelines are more appropriate because they have more data, and more recent data, supporting it (i.e. the 2014 Guidelines have 12 more years of data to study). If a company waits until the historical data has become substantial enough to undoubtedly indicate a direction, the rate increase will be much higher, putting an unfair burden on the remaining policyholders. LifeSecure would rather implement a rate increase now with its best estimates to keep the request as low as possible.

**12. Please provide the reserve basis and justification for the reserve levels provided.**

Active life reserves are calculated using a one year preliminary term basis using NAIC minimum reserves standards, currently using expected claim costs with selection, lapses based on 80% of the assumed voluntary lapse rate up to 6% in policy year 1, 80% of the assumed voluntary lapse rate up to 4% in policy year 2-4, and 100% of the assumed voluntary lapse rate for years 5+ up to 2%, the mortality table specified in the NAIC minimum reserve standards for health insurance contracts (currently 1994 GAM) and the interest rate specified in the NAIC minimum reserve standards (currently the maximum rate permitted in the valuation of whole life insurance).

Annual cash flow testing is performed on LifeSecure's business as a whole. The most recent exercise determined no additional reserves were necessary.

**13. Please explain what, if any, margins are included in the proposed rates to ensure that future rate increases will not be needed presuming the experience develops as projected including a demonstration that actual and projected costs exceed costs anticipated at the time of initial pricing under moderately adverse experience and that the composite margin is projected to be exhausted.**

When the products were priced, the following moderately adverse assumptions were tested:

- Morbidity increase of 10%
- Ultimate lapse  $\frac{1}{2}$  those used in pricing
- Mortality decline by 20%
- Investment rate that decline by 100 basis points

Each of these assumption changes, taken alone, resulted in an internal rate of return that still exceeded 10% in aggregate. Any assumption deviation, or combination of assumption changes, that result in the IRR dropping below 10% could result in a rate increase being needed.

The rate increase is necessary because the current expectation regarding assumptions for morbidity and terminations is worse than the original pricing assumptions. Using updated assumptions, the projected lifetime IRR is 3.9%. Objection Exhibit 4 shows the pricing IRR projection, pricing IRR with 10% increase in morbidity (moderately adverse), and the current IRR projection. As mentioned in objection 6, the current projection differs from the Actuarial Memorandum's Exhibit F, as an error was discovered in the report's formulas. The conclusion remains the same: the IRR is below the trigger.

The projection assumptions are best estimate with no margin. The implicit margin remains the same: a rate increase is potentially triggered when lifetime IRR drops below 10%.

**14. How does the company plan to comply with 14VAC5-200-153.G.1.**

The stated regulation is only applicable if "the majority of the policies or certificates to which the increase is applicable are eligible for the contingent benefit upon lapse." In Virginia, 208 policies are subject to the rate increase, but only 13 are eligible for the contingent benefit upon lapse.

**Objection 5:** Please find included in the filing the LTC Rate Increase Letter LS-0827 VA 09/17 and LSI – LTC Rate Increase Notice LS-0828 ST 09/17.

Please refer to the following documents to fulfill the requirements.

1. Letter – paragraph 2
2. a. Letter – paragraph 8 and Notice
- b. Letter – paragraph 8
- c. Letter – paragraph 7
- d. Letter – paragraph 8
3. Letter – paragraph 2
4. Letter – paragraph 3

Certificate of Compliance included

Statement of Variability included

Letter – paragraph 4 addresses if the insured is currently on wavier

An updated Schedule of Benefits will be provided to insureds receiving the rate increase

**Objection 6:** Please find included in the filing the LS-0051 VA 05/07 Schedule of Benefits. The SERFF number is LFSC-125188482 with an approval date of 03/28/08. Also, note the Coverage Change Effective Date field is bracketed to capture the effective date of the change in policy benefits.

An updated Schedule of Benefits will be provided to insureds receiving the rate increase. Also includes is a Readability Certification.

**Objection 7:** The policyholder will only be able to reduce inflation protection to percentages currently offered.

Also language is included in the Letter – paragraph 8 to meet the requirements of this objection:

All options available may not be of equal value. It may best for you to contact us directly to discuss specific options for your coverage.

**Objection 8:** The Company is generally open to the idea of a series of rate increases if that is preferred. However, the company has just submitted a new LTC form to the compact, which, upon approval, will raise the new business rate cap. LifeSecure does not want to commit to a long-term capped rate increase that will not allow the company to realize the entire approved amount.

For example, a 30% rate increase is approved over 3 years, (10% per year to keep things simple). However, the cap on a particular policy is 15%, so its approved rate increase is only 15%. In the first year, the policy is increased 10%, but the second year, it can only be increased 5% instead of the full 10%, and the third year it is not increased at all. If the company had taken a one year increase of 15% in the first year, it could have re-filed for the 15% the second year after the cap went up and realized the full 30% for that policy.

Could LifeSecure's series of rate increases adjust when the cap moves? In the example above, 30% is approved overall, but only 15% for that policy. Once the new rates were approved, effectively removing the cap, could LifeSecure increase the policyholder's premium to the full overall amount approved at that time (e.g. 20% in year 2, or 30% in year 3)?

**Objection 9:** Please see Response 1 for the form number applicable to this filing. Please refer to the LSI-LTC Rate Increase Letter which includes the required language.

Thank you for your time and consideration of this filing.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Peake".

Kevin Peake, FSA, MAAA  
Actuarial Manager  
LifeSecure Insurance Company

**Objection Exhibit 1**  
**Actual to Expected; Original and Current**

**Claims**

Year	Actual Incurred	Expected Claims		Expected Claims	
	Claims	Original Assumptions	Actual to Original Expected	Current Assumptions	Actual to Current
2007	2,590	1,138	2.28	1,078	2.40
2008	12,345	7,820	1.58	9,233	1.34
2009	37,312	24,269	1.54	30,834	1.21
2010	34,878	54,835	0.64	71,144	0.49
2011	92,378	98,853	0.93	122,965	0.75
2012	375,052	181,219	2.07	211,261	1.78
2013	683,961	327,002	2.09	370,543	1.85
2014	834,375	579,781	1.44	651,150	1.28
2015	456,739	825,175	0.55	958,371	0.48
2016	379,891	1,102,764	0.34	1,242,906	0.31
Total	2,909,520	3,202,856	0.91	3,669,485	0.79

**Policy Terminations – Original Assumptions for Expected**

Policy Year	Exposures	Terminations	Actual Rate	Expected Lapses	Expected Deaths	Expected Terms	Expected Rate	A/E Terminations
1	14927	1367	9.2%	1,189.6	69.7	1,259.3	8.4%	1.09
2	13389	1507	11.3%	666.9	70.1	737.1	5.5%	2.04
3	7478	387	5.2%	285.4	49.8	335.3	4.5%	1.15
4	3994	177	4.4%	111.4	30.3	141.7	3.5%	1.25
5	2022	79	3.9%	44.7	19.4	64.1	3.2%	1.23
6	954	21	2.2%	14.8	12.6	27.3	2.9%	0.77
7	561	13	2.3%	8.4	8.3	16.7	3.0%	0.78
8	212	1	0.5%	3.1	2.9	6.1	2.9%	0.17
9	77	3	3.9%	1.1	1.0	2.1	2.8%	1.40
10	2	0	0.0%	0.0	0.0	0.0	2.0%	0.00

**Policy Terminations – Current Assumptions for Expected**

Policy Year	Exposures	Terminations	Actual Rate	Expected Lapses	Expected Deaths	Expected Terms	Expected Rate	A/E Terminations
1	14927	1367	9.16%	970.84	13.94	984.78	6.60%	1.39
2	13389	1507	11.26%	585.43	19.48	604.91	4.52%	2.49
3	7478	387	5.18%	239.56	17.71	257.27	3.44%	1.50
4	3994	177	4.43%	95.67	13.13	108.80	2.72%	1.63
5	2022	79	3.91%	39.28	9.92	49.21	2.43%	1.61
6	954	21	2.20%	13.34	7.39	20.73	2.17%	1.01
7	561	13	2.32%	7.17	5.56	12.73	2.27%	1.02
8	212	1	0.47%	2.10	2.17	4.26	2.01%	0.23
9	77	3	3.90%	0.77	0.82	1.59	2.06%	1.89
10	2	0	0.00%	0.02	0.01	0.03	1.44%	0.00

Objection Exhibit 2  
Loss Ratio Projection – Original Assumptions

No Inflation				3% Inflation			
Year	Actual Earned Premium	Actual Incurred Claims	Loss Ratio	Year	Actual Earned Premium	Actual Incurred Claims	Loss Ratio
2007	25,496,957	3.8%	2007	32,078	1,204	3.8%	
2008	159,232	8,657		2008	57,395	2,264	3.9%
2009	486,772	31,207		2009	126,369	5,870	4.6%
2010	934,391	24,637		2010	246,216	8,496	3.5%
2011	1,375,783	46,927		2011	617,810	32,002	5.2%
2012	2,129,694	296,385		2012	1,607,240	62,653	3.9%
2013	3,419,453	663,686		2013	3,392,215	15,897	0.5%
2014	5,458,797	474,415		2014	6,885,604	283,407	4.1%
2015	6,105,255	180,465		2015	7,663,280	150,334	2.0%
2016	5,740,833	433,977		2016	7,395,218	75,433	1.0%
Total	25,835,705	2,161,313	8.4%	Total	28,023,425	637,562	2.3%
Acc @ 4.0%	28,639,472	2,417,564	8.4%	Acc @ 4.0%	30,453,613	705,414	2.3%

Year	Projected Earned Premium	Projected Incurred Claims	Loss Ratio	Year	Projected Earned Premium	Projected Incurred Claims	Loss Ratio
2017	5,548,678	803,709	14.5%	2017	7,251,341	498,221	6.9%
2018	5,332,071	963,229	18.1%	2018	7,007,970	642,084	9.2%
2019	5,134,265	1,123,826	21.9%	2019	6,794,337	796,357	11.7%
2020	4,946,244	1,280,107	25.9%	2020	6,578,811	960,905	14.6%
2021	4,758,778	1,425,217	29.9%	2021	6,331,300	1,126,349	17.8%
2022	4,570,519	1,562,192	34.2%	2022	6,000,239	1,287,436	21.5%
2023	4,381,275	1,698,231	38.8%	2023	5,636,706	1,452,597	25.8%
2024	4,190,887	1,832,277	43.7%	2024	5,003,887	1,629,338	32.6%
2025	3,999,237	1,972,914	49.3%	2025	4,720,057	1,826,432	38.7%
2026	3,806,283	2,118,208	55.7%	2026	4,516,898	2,047,416	45.3%
2027	3,612,184	2,267,918	62.8%	2027	4,316,262	2,290,792	53.1%
2028	3,417,243	2,423,647	70.9%	2028	4,110,970	2,559,326	62.3%
2029	3,221,789	2,575,574	79.9%	2029	3,902,637	2,852,053	73.1%
2030	3,026,322	2,726,518	90.1%	2030	3,689,440	3,166,312	85.8%
2031	2,831,423	2,871,052	101.4%	2031	3,475,137	3,495,867	100.6%
2032	2,637,988	3,002,094	113.8%	2032	3,253,842	3,831,857	117.8%
2033	2,446,872	3,118,716	127.5%	2033	3,039,586	4,165,812	137.1%
2034	2,259,068	3,215,837	142.4%	2034	2,828,238	4,498,827	159.1%
2035	2,075,534	3,294,163	158.7%	2035	2,617,041	4,824,935	184.4%
2036	1,897,366	3,347,394	176.4%	2036	2,408,143	5,133,487	213.2%
2037	1,725,606	3,371,785	195.4%	2037	2,203,344	5,406,423	245.4%
2038	1,561,238	3,367,760	215.7%	2038	2,002,731	5,639,513	281.6%
2039	1,405,049	3,332,881	237.2%	2039	1,809,224	5,827,916	322.1%
2040	1,257,795	3,273,270	260.2%	2040	1,624,580	5,964,579	367.1%
2041	1,120,024	3,186,826	284.5%	2041	1,447,490	6,040,926	417.3%
2042	992,160	3,072,536	309.7%	2042	1,281,193	6,036,700	471.2%
2043	874,454	2,936,408	335.8%	2043	1,127,355	5,964,074	529.0%
2044	766,949	2,779,819	362.5%	2044	986,339	5,830,914	591.2%
2045	669,571	2,610,199	389.8%	2045	857,290	5,644,640	658.4%
2046	582,020	2,429,145	417.4%	2046	740,477	5,407,310	730.2%
2047	503,930	2,240,415	444.6%	2047	636,564	5,118,684	804.1%
2048	434,769	2,049,814	471.5%	2048	544,355	4,799,949	881.8%
2049	373,959	1,859,876	497.3%	2049	463,405	4,459,352	962.3%
2050	320,831	1,676,557	522.6%	2050	392,961	4,114,464	1047.0%
2051	274,681	1,502,728	547.1%	2051	332,052	3,763,603	1133.4%
2052	234,796	1,337,557	569.7%	2052	279,765	3,406,815	1217.7%
2053	200,503	1,184,494	590.8%	2053	235,191	3,059,110	1300.7%
2054	171,131	1,043,503	609.8%	2054	197,413	2,719,318	1377.5%
2055	146,034	917,196	628.1%	2055	165,571	2,406,822	1453.6%
2056	124,611	806,400	647.1%	2056	138,810	2,121,569	1528.4%



2057+	671,870	5,189,585	772.4%	2057+	686,832	13,914,899	2026.0%
Total	88,506,005	93,791,574	106.0%	Total	111,635,782	156,733,976	140.4%
Disc @ 4.0%	61,123,057	44,931,314	73.5%	Disc @ 4.0%	77,579,461	64,531,008	83.2%
Lifetime @ 4.0%	89,762,530	47,348,878	52.7%	Lifetime @ 4.0%	108,033,073	65,236,422	60.4%
<u>5% Inflation</u>				<u>Total</u>			
	Actual	Actual			Actual	Actual	
	Earned	Incurred	Loss		Earned	Incurred	Loss
Year	Premium	Claims	Ratio	Year	Premium	Claims	Ratio
2007	11,408 428	3.8%		2007	68,982 2,590	3.8%	
2008	28,106 1,424	5.1%		2008	244,732 12,345	5.0%	
2009	37,697 234	0.6%		2009	650,838 37,312	5.7%	
2010	51,823 1,745	3.4%		2010	1,232,429 34,878	2.8%	
2011	196,736	13,449	6.8%	2011	2,190,329 92,378	4.2%	
2012	464,979	16,013	3.4%	2012	4,201,913 375,052	8.9%	
2013	995,350	4,379	0.4%	2013	7,807,017 683,961	8.8%	
2014	1,919,174	76,553	4.0%	2014	14,263,575	834,375	5.8%
2015	2,116,178	125,940	6.0%	2015	15,884,714	456,739	2.9%
2016	2,035,242	-129,520	-6.4%	2016	15,171,293	379,891	2.5%
Total	7,856,693	110,645	1.4%	Total	61,715,823	2,909,520	4.7%
Acc @ 4.0%	8,550,729	131,914	1.5%	Acc @ 4.0%	67,643,813	3,254,892	4.8%
	Projected	Projected			Projected	Projected	
	Earned	Incurred	Loss		Earned	Incurred	Loss
Year	Premium	Claims	Ratio	Year	Premium	Claims	Ratio
2017	1,957,320	74,909	3.8%	2017	14,757,339	1,376,839	9.3%
2018	1,899,802	99,288	5.2%	2018	14,239,843	1,704,601	12.0%
2019	1,850,878	126,854	6.9%	2019	13,779,480	2,047,036	14.9%
2020	1,801,675	158,097	8.8%	2020	13,326,729	2,399,109	18.0%
2021	1,739,409	190,411	10.9%	2021	12,829,487	2,741,977	21.4%
2022	1,650,547	220,774	13.4%	2022	12,221,305	3,070,402	25.1%
2023	1,488,128	253,650	17.0%	2023	11,506,109	3,404,478	29.6%
2024	1,109,429	289,342	26.1%	2024	10,304,204	3,750,957	36.4%
2025	1,024,490	329,309	32.1%	2025	9,743,785	4,128,654	42.4%
2026	989,513	375,837	38.0%	2026	9,312,694	4,541,460	48.8%
2027	951,083	427,735	45.0%	2027	8,879,529	4,986,444	56.2%
2028	914,453	488,985	53.5%	2028	8,442,666	5,471,957	64.8%
2029	875,660	557,624	63.7%	2029	8,000,086	5,985,251	74.8%
2030	838,053	635,590	75.8%	2030	7,553,815	6,528,420	86.4%
2031	796,485	722,707	90.7%	2031	7,103,044	7,089,626	99.8%
2032	756,446	818,770	108.2%	2032	6,648,276	7,652,721	115.1%
2033	717,605	925,168	128.9%	2033	6,204,063	8,209,696	132.3%
2034	677,147	1,040,790	153.7%	2034	5,764,453	8,755,454	151.9%
2035	636,898	1,165,300	183.0%	2035	5,329,473	9,284,397	174.2%
2036	595,839	1,296,665	217.6%	2036	4,901,347	9,777,546	199.5%
2037	556,433	1,431,955	257.3%	2037	4,485,383	10,210,163	227.6%
2038	518,160	1,573,779	303.7%	2038	4,082,130	10,581,052	259.2%
2039	480,317	1,715,695	357.2%	2039	3,694,590	10,876,492	294.4%

2040	443,060	1,853,356	418.3%	2040	3,325,435	11,091,204	333.5%
2041	406,150	1,983,297	488.3%	2041	2,973,663	11,211,049	377.0%
2042	366,148	2,102,260	574.2%	2042	2,639,501	11,211,496	424.8%
2043	330,564	2,208,046	668.0%	2043	2,332,373	11,108,527	476.3%
2044	297,956	2,296,713	770.8%	2044	2,051,245	10,907,446	531.7%
2045	267,030	2,368,566	887.0%	2045	1,793,890	10,623,404	592.2%
2046	237,927	2,412,782	1014.1%	2046	1,560,424	10,249,237	656.8%
2047	210,781	2,436,632	1156.0%	2047	1,351,276	9,795,730	724.9%
2048	185,655	2,440,424	1314.5%	2048	1,164,778	9,290,187	797.6%
2049	162,606	2,419,279	1487.8%	2049	999,971	8,738,507	873.9%
2050	141,621	2,375,764	1677.6%	2050	855,412	8,166,785	954.7%
2051	122,673	2,305,957	1879.8%	2051	729,406	7,572,288	1038.1%
2052	105,699	2,219,541	2099.9%	2052	620,261	6,963,913	1122.7%
2053	90,600	2,121,673	2341.8%	2053	526,295	6,365,277	1209.5%
2054	77,278	2,007,367	2597.6%	2054	445,821	5,770,188	1294.3%
2055	65,609	1,883,256	2870.4%	2055	377,214	5,207,274	1380.5%
2056	55,443	1,751,779	3159.6%	2056	318,864	4,679,748	1467.6%
2057+	246,479	13,383,570	5429.9%	2057+	1,605,181	32,488,054	2024.0%
Total	28,639,050	65,489,493	228.7%	Total	228,780,837	316,015,043	138.1%
Disc @ 4.0%	19,821,510	21,725,610	109.6%	Disc @ 4.0%	158,524,028	131,187,932	82.8%
Lifetime @ 4.0%	28,372,239	21,857,524	77.0%	Lifetime @ 4.0%	226,167,841	134,442,824	59.4%

**Objection Exhibit 3**  
**Loss Ratio – Original Assumptions and Actual Mix of Business**

Duration	GPO			3% Inflation			5% Inflation		
	Premium	Claims	Loss Ratio	Premium	Claims	Loss Ratio	Premium	Claims	Loss Ratio
1	7,331,149	279,651	3.8%	8,593,120	152,424	1.8%	2,272,263	21,647	1.0%
2	6,770,237	381,959	5.6%	7,992,057	215,358	2.7%	2,133,971	30,430	1.4%
3	6,397,309	518,923	8.1%	7,595,010	303,399	4.0%	2,041,478	42,661	2.1%
4	6,108,273	658,345	10.8%	7,287,124	399,387	5.5%	1,967,700	56,524	2.9%
5	5,870,866	831,449	14.2%	7,037,857	533,378	7.6%	1,908,197	78,653	4.1%
6	5,663,980	993,084	17.5%	6,824,750	670,575	9.8%	1,857,622	101,944	5.5%
7	5,474,038	1,160,171	21.2%	6,632,988	824,511	12.4%	1,812,679	131,109	7.2%
8	5,281,729	1,316,107	24.9%	6,438,489	981,372	15.2%	1,767,312	160,081	9.1%
9	5,087,537	1,459,412	28.7%	6,241,802	1,129,210	18.1%	1,721,670	187,576	10.9%
10	4,891,636	1,598,169	32.7%	6,042,938	1,281,481	21.2%	1,675,657	218,005	13.0%
11	4,694,184	1,725,188	36.8%	4,953,976	1,432,944	28.9%	1,053,923	247,125	23.4%
12	4,495,178	1,859,870	41.4%	4,762,014	1,604,234	33.7%	1,011,633	281,972	27.9%
13	4,294,590	2,002,794	46.6%	4,574,045	1,801,052	39.4%	974,429	320,499	32.9%
14	4,092,471	2,150,869	52.6%	4,375,529	2,014,748	46.0%	932,385	362,158	38.8%
15	3,889,079	2,319,575	59.6%	4,180,028	2,265,834	54.2%	898,453	418,847	46.6%
16	3,684,657	2,476,923	67.2%	3,980,338	2,528,670	63.5%	864,124	475,351	55.0%
17	3,479,599	2,637,879	75.8%	3,780,007	2,817,034	74.5%	820,260	541,388	66.0%
18	3,274,409	2,795,080	85.4%	3,566,159	3,120,055	87.5%	781,598	614,731	78.7%
19	3,069,757	2,947,510	96.0%	3,355,500	3,438,444	102.5%	746,269	696,514	93.3%
20	2,866,419	3,087,485	107.7%	3,145,921	3,763,170	119.6%	706,569	789,135	111.7%
21	2,665,391	3,211,555	120.5%	2,938,770	4,088,298	139.1%	668,339	888,607	133.0%
22	2,467,676	3,320,658	134.6%	2,733,087	4,415,320	161.6%	632,140	1,000,463	158.3%
23	2,274,411	3,400,664	149.5%	2,528,378	4,730,767	187.1%	588,159	1,116,938	189.9%
24	2,086,706	3,461,285	165.9%	2,325,815	5,021,007	215.9%	550,598	1,237,784	224.8%
25	1,905,620	3,490,237	183.2%	2,129,421	5,275,845	247.8%	514,644	1,367,310	265.7%
26	1,732,179	3,491,186	201.5%	1,935,910	5,491,689	283.7%	479,006	1,496,583	312.4%
27	1,567,272	3,460,214	220.8%	1,751,058	5,663,100	323.4%	443,854	1,628,332	366.9%
28	1,411,651	3,400,921	240.9%	1,572,816	5,786,782	367.9%	408,726	1,755,355	429.5%
29	1,265,898	3,315,266	261.9%	1,403,483	5,835,937	415.8%	371,469	1,869,975	503.4%
30	1,130,419	3,202,726	283.3%	1,246,618	5,822,837	467.1%	339,047	1,986,318	585.9%
31	1,005,440	3,069,811	305.3%	1,101,824	5,756,439	522.4%	306,271	2,088,421	681.9%
32	890,987	2,915,284	327.2%	968,518	5,628,234	581.1%	276,623	2,173,498	785.7%
33	786,914	2,748,180	349.2%	844,911	5,448,313	644.8%	246,343	2,238,603	908.7%
34	692,891	2,569,900	370.9%	735,038	5,216,459	709.7%	220,191	2,279,951	1035.4%
35	608,469	2,388,873	392.6%	636,387	4,952,965	778.3%	195,904	2,309,744	1179.0%
36	533,109	2,205,487	413.7%	548,928	4,656,642	848.3%	173,493	2,313,794	1333.7%
37	466,180	2,023,096	434.0%	471,404	4,345,212	921.8%	152,964	2,294,331	1499.9%
38	407,004	1,846,379	453.7%	403,191	4,018,980	996.8%	134,289	2,251,886	1676.9%
39	354,860	1,678,538	473.0%	344,513	3,688,286	1070.6%	115,444	2,190,139	1897.1%
40	309,054	1,521,881	492.4%	293,786	3,366,744	1146.0%	100,345	2,120,027	2112.7%
41	268,931	1,369,232	509.1%	250,198	3,029,036	1210.7%	86,865	2,025,329	2331.6%
42	233,878	1,228,805	525.4%	212,974	2,716,553	1275.5%	74,894	1,927,638	2573.8%
43	203,272	1,101,175	541.7%	181,270	2,426,983	1338.9%	64,308	1,816,960	2825.4%
44	176,551	986,871	559.0%	154,290	2,162,871	1401.8%	54,499	1,697,512	3114.7%
45	153,212	885,435	577.9%	131,345	1,931,760	1470.8%	46,330	1,584,506	3420.0%
46	132,815	793,016	597.1%	111,826	1,717,413	1535.8%	38,721	1,467,698	3790.4%
47	114,984	709,214	616.8%	95,219	1,529,455	1606.2%	32,540	1,350,162	4149.3%
48	99,395	634,157	638.0%	81,065	1,365,211	1684.1%	27,209	1,226,456	4507.5%
49	85,760	567,350	661.6%	68,972	1,219,398	1768.0%	22,651	1,107,187	4888.1%
50	73,820	507,445	687.4%	58,622	1,092,150	1863.0%	18,771	1,002,054	5338.5%
51	63,369	452,663	714.3%	49,751	975,854	1961.5%	15,487	897,759	5797.0%
52	54,226	402,707	742.6%	42,141	874,134	2074.3%	12,724	802,168	6304.5%
53	46,233	357,362	773.0%	35,600	780,522	2192.5%	10,410	710,486	6825.1%
54	39,251	316,470	806.3%	29,972	697,349	2326.7%	8,479	628,077	7407.6%
55	33,159	279,273	842.2%	25,133	620,204	2467.7%	6,872	557,108	8106.6%
56	27,855	245,011	879.6%	20,978	548,701	2615.6%	5,540	486,911	8789.6%
57	23,250	214,099	920.9%	17,415	482,432	2770.1%	4,438	424,597	9566.5%
58	19,265	186,027	965.6%	14,370	419,123	2916.6%	3,532	367,084	10394.2%
59	15,831	160,555	1014.2%	11,777	364,366	3094.0%	2,788	314,292	11271.4%
60	12,888	137,592	1067.6%	9,578	313,429	3272.4%	2,182	270,457	12395.5%

Disc @ 4%	81,594,884	41,791,217	51.2%	94,052,098	55,305,454	58.8%	23,992,516	17,970,734	74.9%
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## Objection Exhibit 4 IRR Projections

### Original Pricing

Duration	Actual			Contribution to					PV(Dist Earn) @
	Earned Premium	Investment Income	Expenses (ALR,Comm,Admin)	Incurred Claims	Pre-Tax Profit	Post-Tax Profit	RBC less After Tax Inc on RBC	Distributable Earnings	14.5%
1	1,373	(19)	1,741	37	(424)	(311)	641	(952)	(890)
2	1,249	50	995	55	248	133	(42)	175	143
3	1,171	83	933	80	241	134	(9)	144	102
4	1,114	116	900	95	234	134	0	134	83
5	1,068	147	875	121	219	128	12	115	63
6	1,027	178	838	154	214	129	19	110	52
7	991	207	806	185	208	129	23	105	43
8	954	236	771	216	203	129	23	105	38
9	916	263	757	225	197	128	9	119	38
10	878	289	715	261	191	128	8	121	33
11	839	317	604	288	264	177	6	172	41
12	800	339	570	315	254	170	3	167	35
13	761	360	533	344	244	164	2	162	30
14	721	380	523	345	233	157	(15)	171	27
15	683	397	466	391	224	150	(13)	164	23
16	645	413	420	425	214	144	(12)	156	19
17	607	427	374	457	204	138	(14)	151	16
18	570	439	325	491	194	131	(16)	147	14
19	534	449	310	489	184	125	(35)	159	13
20	499	457	257	525	175	119	(32)	150	11
21	465	464	199	564	166	113	(29)	142	9
22	432	468	147	595	156	107	(32)	139	7
23	399	469	93	629	147	100	(35)	135	6
24	368	469	82	616	138	94	(59)	153	6
25	338	466	25	650	130	89	(54)	143	5
26	310	461	(36)	686	121	83	(50)	133	4
27	282	454	(82)	706	113	77	(55)	133	4
28	256	445	(132)	728	104	72	(57)	129	3
29	231	433	(125)	694	96	66	(88)	154	3
30	209	420	(173)	713	89	61	(81)	142	3
31	187	405	(222)	734	81	56	(74)	130	2
32	167	389	(250)	732	74	51	(79)	131	2
33	148	371	(281)	733	67	47	(81)	127	2
34	131	352	(254)	677	60	42	(111)	153	2
35	115	333	(285)	679	54	38	(100)	138	1
36	101	312	(314)	678	49	34	(90)	124	1
37	88	291	(320)	657	43	30	(94)	124	1
38	76	270	(328)	636	38	26	(94)	120	1
39	65	248	(290)	572	32	23	(118)	141	1
40	56	227	(301)	556	28	20	(104)	124	1
41	48	207	(307)	537	24	17	(94)	111	0
42	40	186	(294)	501	20	15	(95)	109	0
43	34	167	(285)	469	17	12	(92)	104	0
44	28	148	(241)	404	13	10	(108)	118	0
45	23	130	(235)	378	11	8	(95)	102	0
46	19	113	(229)	353	8	6	(83)	89	0
47	15	97	(209)	315	6	5	(81)	86	0
48	12	83	(190)	281	4	3	(76)	80	0
49	10	70	(151)	228	2	2	(84)	86	0
50	8	58	(138)	201	1	1	(72)	74	0
51	6	47	(124)	176	0	1	(62)	63	0
52	4	38	(102)	144	(0)	0	(58)	59	0
53	3	30	(84)	117	(1)	(0)	(53)	52	0
54	2	23	(60)	86	(1)	(1)	(51)	50	0
55	2	17	(48)	68	(1)	(1)	(41)	41	0
56	1	13	(38)	53	(1)	(1)	(33)	33	0
57	1	9	(27)	38	(1)	(1)	(28)	27	0

58	1	7	(19)	27	(1)	(0)	(22)	22	0
59	0	5	(12)	18	(1)	(0)	(18)	18	0
60	0	3	(8)	12	(1)	(0)	(13)	13	0
Total									0

### Original Pricing +10% Morbidity

Duration	Actual			Contribution to					PV(Dist Earn) @
	Earned Premium	Investment Income	Expenses (ALR,Comm,Admin)	Incurred Claims	Pre-Tax Profit	Post-Tax Profit	RBC less After Tax Inc on RBC	Distributable Earnings	12.8%
1	1,373	(19)	1,741	41	(428)	(313)	644	(957)	(901)
2	1,249	50	995	61	243	130	(40)	169	141
3	1,171	84	933	88	234	129	(7)	135	100
4	1,114	116	900	105	225	128	2	126	82
5	1,068	148	876	133	207	120	15	105	61
6	1,027	178	838	169	199	119	21	98	50
7	991	208	807	203	190	117	26	91	42
8	954	237	772	237	182	115	26	89	36
9	916	264	758	247	175	115	11	104	37
10	878	290	716	285	167	113	9	104	33
11	839	318	605	315	238	160	7	153	43
12	800	341	572	344	225	152	4	147	37
13	761	362	534	376	212	143	3	140	31
14	721	382	524	377	202	137	(15)	152	30
15	683	400	468	425	189	128	(13)	141	25
16	645	415	422	463	176	120	(11)	131	20
17	607	430	376	497	164	112	(13)	124	17
18	570	442	327	535	151	103	(14)	117	14
19	534	452	312	533	141	97	(35)	132	14
20	499	460	259	572	129	89	(31)	120	11
21	465	467	202	614	116	80	(28)	108	9
22	432	471	150	649	104	72	(31)	103	8
23	399	473	95	686	91	64	(33)	97	6
24	368	472	85	672	83	59	(60)	119	7
25	338	470	28	709	71	51	(54)	105	6
26	310	465	(33)	749	60	43	(49)	92	4
27	282	458	(79)	771	49	36	(54)	90	4
28	256	449	(129)	796	38	29	(56)	85	3
29	231	438	(122)	758	33	25	(91)	117	4
30	209	425	(170)	779	24	19	(83)	102	3
31	187	410	(219)	802	14	13	(75)	87	2
32	167	394	(247)	801	7	8	(81)	89	2
33	148	376	(277)	802	(1)	3	(83)	85	2
34	131	357	(251)	741	(2)	1	(117)	119	2
35	115	337	(282)	743	(9)	(3)	(104)	101	2
36	101	317	(311)	743	(15)	(7)	(94)	87	1
37	88	296	(317)	719	(18)	(10)	(98)	88	1
38	76	274	(325)	697	(22)	(12)	(98)	86	1
39	65	253	(287)	626	(21)	(12)	(126)	114	1
40	56	231	(298)	609	(24)	(14)	(110)	96	1
41	48	210	(304)	588	(26)	(16)	(99)	84	1
42	40	190	(292)	549	(27)	(16)	(101)	85	1
43	34	170	(282)	514	(28)	(17)	(98)	81	0
44	28	151	(239)	443	(25)	(15)	(117)	102	1
45	23	133	(233)	414	(25)	(15)	(102)	86	0
46	19	116	(227)	387	(25)	(15)	(89)	73	0
47	15	100	(207)	346	(24)	(15)	(87)	72	0
48	12	85	(188)	308	(23)	(14)	(82)	69	0
49	10	72	(150)	251	(19)	(12)	(92)	80	0
50	8	59	(136)	221	(18)	(11)	(79)	68	0
51	6	49	(123)	193	(16)	(10)	(68)	58	0
52	4	39	(101)	158	(14)	(9)	(64)	55	0
53	3	31	(83)	129	(12)	(7)	(57)	50	0
54	2	24	(59)	95	(9)	(6)	(55)	50	0
55	2	18	(48)	75	(8)	(5)	(45)	40	0
56	1	13	(37)	58	(6)	(4)	(36)	33	0
57	1	10	(27)	42	(5)	(3)	(30)	28	0
58	1	7	(19)	30	(3)	(2)	(25)	22	0
59	0	5	(12)	19	(2)	(1)	(20)	18	0





## Virginia Readability Compliance Certification

*For use with policy forms submitted on or after July 1, 1982*

Name and Address of Insurer:

LifeSecure Insurance Company  
10559 Citation Dr.  
Brighton, MI 48116

Title of Form: LTC Rate Increase Letter

Policy Form Number: LS-0827 VA 07/19

I hereby certify that the Flesch reading ease score of the above policy form is 49.7. It contains 34 sentences, 737 word and 1,201 syllables. The type size of the text of the policy form is Arial point type and 11 point leaded.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.



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Signature of an Officer of the Insurer

Brian Vestergaard

Name

Vice President, Product & Marketing

Title

July 17, 2019

Date



## Virginia Readability Compliance Certification

*For use with policy forms submitted on or after July 1, 1982*

Name and Address of Insurer:

LifeSecure Insurance Company  
10559 Citation Dr.  
Brighton, MI 48116

Title of Form: Premium Increase Selection Form

Policy Form Number: LS-0828 VA 07/18

I hereby certify that the Flesch reading ease score of the above policy form is 46.6. It contains 30 sentences, 775 words and 1,244 syllables. The type size of the text of the policy form is Arial point type and 11 point leaded.

I also certify to the best of my knowledge and belief that the policy form is in compliance with Section 38.2-3404 of the Code of Virginia and with the Rules and Regulations for Simplified and Readable Accident and Sickness Insurance Policies adopted pursuant thereto.



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Signature of an Officer of the Insurer

Brian Vestergaard

Name

Vice President, Product & Marketing

Title

July 17, 2019

Date





## LifeSecure Insurance Company

10559 Citation Drive, Suite 300 Brighton,  
MI 48116

### SCHEDULE OF BENEFITS

<b>Policyholder:</b>	[John Smith 10 Main Street Anytown, USA 11111]	<b>Policy Number:</b>	[#####]
		<b>Policy Effective Date:</b>	[01/01/07]
<b>Age At Issue:</b>	[45]	<b>[Coverage Change Effective Date:</b>	01/01/10]

### BENEFITS AND COVERAGE AMOUNTS

Benefit Bank:	[\$75,000 - \$1,000,000]
Monthly Benefit Access Limit:	[1%, 2% or 3% of Benefit Bank] [(\$###)]
Facility Covered Services:	Up to 100% of the Monthly Benefit Amount
Non-Facility Covered Services:	Up to 100% of the Monthly Benefit Amount
[Guaranteed Future Purchase Offers:	Included]
[Contingent Non-Forfeiture Benefit:	Included]
Benefit Wait Period:	[30, 60, 90, 100, 120 or 180] Calendar Days
[OPTIONAL BENEFITS ELECTED]	
[Money-Back Promise Option	Included]
[Automatic 3% Compound Inflation Protection Benefit:	Included]
[Automatic 5% Compound Inflation Protection Benefit:	Included]
[Lapse Protection Benefit:	Included]

### PREMIUM INFORMATION

Premium Rate Classification:	[Preferred, Standard, Select]
Premium Payment Mode:	[Monthly, Quarterly, Semi-annual, Annual]
Premium Payment Time Period:	[Lifetime, 10-years, To-age-65]
[Marital Discount Applied:	10%]
[Dual Spouse Coverage Discount Applied:	20%]
[Endorsed Multi-life Discount Applied:	10%]
<b>Premium Amount[*]:</b>	<b>[\$###] per [month, quarter, semi-annual period, year,]</b>
	[\$### per payroll deduction]

[\*The premium amount includes the premium contribution, if any, paid by an employer sponsor.]



LS-0051 VA 05/07

Schedule of Benefits Print Date: [01/24/07]

## STATEMENT OF VARIABILITY

### LTC Rate Increase Letter - LS-0827 VA 5/2020

#### LTC 1.0 - Virginia

- **Variable Text:**  
LifeSecure Insurance Company  
A Stock Company  
[10559 Citation Dr., Suite 300  
Brighton, MI 48116 1-888-575-8246]  
www.yourlifesecond.com]  
**Variable Explanation:**  
The Company's address, web site and telephone number may change in the future.
- **Variable Text:** [Mailing Date]  
**Variable Explanation:**  
The date the letter is mailed will print.
- **Variable Text:** [Policyholder Name] [Address] [City, State and Zip]  
**Variable Explanation:**  
The Policyholder's name and address will print.
- **Variable Text:** [Policyholder Number]  
**Variable Explanation:** The Policyholder's policy number will print.
- **Variable Text:** [Policyholder Name]  
**Variable Explanation:**  
The Policyholder's name will print.
- **Variable Text:** [Current Premium]  
**Variable Explanation:**  
The Policyholder's current premium amount will print.
- **Variable Text:** [Current Premium Mode]  
**Variable Explanation:**  
The Policyholder's current premium mode will print.
- **Variable Text:** [New Premium]  
**Variable Explanation:**  
The Policyholder's new premium amount under this option will print.
- **Variable Text:** [Current Premium Mode]  
**Variable Explanation:**  
The Policyholder's current premium mode will print.
- **Variable Text:** [Percentage of Increase]  
**Variable Explanation:**  
The Policyholder's percentage of increase from the previous premium amount to the new premium amount will print.
- **Variable Text:** [Effective Date]  
**Variable Explanation:**  
The Policyholder's effective date of the increase will print.
- **Variable Text:** [Please evaluate your options carefully before making our selection. If you prefer an alternative to accepting the rate increase, please complete the enclosed form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.]

**Variable Explanation:**

This paragraph will print if the Policyholder qualifies to receive option selections.

- **Variable Text:**

[Variable 1:

☐ Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me

**Note:** *You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.*

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium.

You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

**Variable Explanation:** This variable option prints if the policyholder is eligible for this option to either reduce their benefits or reduce their premium.

- **Variable Text:** [\$ current BB]

**Variable Explanation:** The policyholder's current Benefit Bank amount will print.

- **Variable Text:** [\$ new BB]

**Variable Explanation:** The policyholder's new Benefit Bank amount under this option will print.

- **Variable Text:** [\$ current MBAL]

**Variable Explanation:** The policyholder's current Monthly Benefit Access Limit amount based on the selection made when the policy was issued to be either 1%, 2% or 3% of the chosen lifetime benefit bank amount.

- **Variable Text:** [\$ new MBAL]

**Variable Explanation:** The new Monthly Benefit Access Limit amount calculated based on the reduced lifetime benefit bank amount under this option.

- **Variable Text:** [\$ new premium]

**Variable Explanation:** The new reduced premium amount under this option will print.

- **Variable Text:** [\$ payment mode]

**Variable Explanation:** The premium mode will print.

- **Variable Text:** [Variable 2:] [☐ Exercise the Contingent Non-Forfeiture Benefit.

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

**Variable Explanation:** This variable will print if the policyholder is eligible based on the policyholder's rate increase percentage and the state's rate increase trigger for contingent non-forfeiture.

- **Variable Text:** [Variable 2a:

- ☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**Variable Explanation:** This option prints when a policyholder did not choose to pay their premium over a limited payment period.

- **Variable Text: Type of Coverage:** [Variable 2b:

- ☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect this exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**Variable Explanation:** This option prints when a policyholder chooses to pay their premium over a limited payment period.

- **[Variable 3:**

- ☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**Variable Explanation:** This variable option prints if a policyholder has the Lapse Protection rider.

## STATEMENT OF VARIABILITY

### Premium Increase Selection Option Form - LS-0828 VA 5/2020

#### LTC 1.0 - Virginia

- **Variable Text:**  
LifeSecure Insurance Company  
A Stock Company  
[10559 Citation Dr., Suite 300  
Brighton, MI 48116 1-888-575-8246]  
www.yourlifesecond.com]  
**Variable Explanation:**  
The Company's address, web site and telephone number may change in the future.
- **Variable Text:** [Insured's Name]  
**Variable Explanation:**  
The Policyholder's name will print.
- **Variable Text:** [Policyholder Number]  
**Variable Explanation:** The Policyholder's policy number will print.
- **Variable Text:**  
[Variable 1:  
☐ Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me

**Note:** *You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.*

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium.

You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

**Variable Explanation:** This variable option prints if the policyholder is eligible for this option.

- **Variable Text:** [\$ current BB]  
**Variable Explanation:** The policyholder's current Benefit Bank amount will print.
- **Variable Text:** [\$ new BB]  
**Variable Explanation:** The policyholder's new Benefit Bank amount under this option will print.
- **Variable Text:** [\$ current MBAL]  
**Variable Explanation:** The policyholder's current Monthly Benefit Access Limit amount based on the selection made when the policy was issued to be either 1%, 2% or 3% of the chosen lifetime benefit bank amount.
- **Variable Text:** [\$ new MBAL]



**Variable Explanation:** The new Monthly Benefit Access Limit amount calculated based on the reduced lifetime benefit bank amount under this option.

- **Variable Text:** [\$ new premium]

**Variable Explanation:** The new reduced premium amount under this option will print.

- **Variable Text:** [payment mode]

**Variable Explanation:** The current premium mode will print.

- **Variable Text:** [Variable 2:] [☐ Exercise the Contingent Non-Forfeiture Benefit.

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank.]

**Variable Explanation:** This variable will print if the policyholder is eligible based on the policyholder's rate increase percentage and the state's rate increase trigger for contingent non-forfeiture.

- **Variable Text:** [Variable 2a:

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**Variable Explanation:** This option prints when a policyholder did not choose to pay their premium over a limited payment period.

- **Variable Text: Type of Coverage:** [Variable 2b:

- ☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect this exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**Variable Explanation:** This option prints when a policyholder chooses to pay their premium over a limited payment period.

- **[Variable 3:**

- ☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**Variable Explanation:** This variable option prints if a policyholder has the Lapse Protection rider.

## Objection Letter for LFSC-131119865

SERFF Tracking Number:	LFSC-131119865	State:	Virginia
Filing Company:	LifeSecure Insurance Company	State Tracking Number:	LFSC-131119865
Company Tracking Number:	LS-0002 RATE INCREASE		
TOI:	LTC03I Individual Long Term Care	Sub-TOI:	LTC03I.001 Qualified
Product Name:			
Project Name:	Individual LTC 1.0 RI		
Individual LTC 1.0 RI			

Objection Letter Status: Disapproved

Objection Letter Date: 09/29/2017

Respond By Date:

Submitted Date:

09/29/2017 04:17 PM

Dear Kevin Peake,

### Introduction:

The following is based on a review of the submitted policyholder notification letter, form number LS-0827 VA 09/17, and form LS-0828 ST 09/17.

Since the policyholder notification letter is required to be filed for review, it should be included under the "Form Schedule" section. **Policyholder LTC Rate Increase Letter has been attached under the Form Schedule section.**

Based on the ACTUARIAL CERTIFICATION it appears that the company's intent is to file for additional rate increases regardless of how the experience develops. If that is correct, then pursuant to 14 VAC 5-200-75 A 2, the form should include an explanation of the potential for future premium rate revisions. Note that any references to future rate increases should clearly state that no premium increases will be implemented unless first filed and approved by the Virginia State Corporation Commission. **This requirement is included in paragraph two of the policyholder LTC Rate Increase Letter.**

Pursuant to 14 VAC 5-200-75 D 2, the form is required to include a clear explanation of the options available to the policyholder as alternatives to paying the increased premium amount, including an offer to reduce policy benefits provided by the current coverage consistent with 14VAC5-200-183 and a disclosure stating that all options available to the policyholder may not be of equal value. Note that all disclosures should be emphasized (bold type, capital letters, larger print, etc.). **This requirement is included in the LTC Rate Increase Notice and paragraph eight of the policyholder LTC Rate Increase Letter.**

Pursuant to 14 VAC 5-200-75 D 3, the form should include a clear identification of the driving factors of the premium rate increase. **This requirement is included in paragraph two of the policyholder LTC Rate Increase Letter.**

Please note that form LS-0828 ST 09/17 should also be filed for review and approval. Please revise this form in accordance with 14 VAC 5-100 et seq. Note, for example, that the form number is required to be in the lower left-hand corner of the form. This form should also be included in the "Form Schedule" section. **The form number has been moved to the lower-left hand corner and the form is attached under the Form Schedule section.**

Regarding the statement of variability, please advise in what instances a policyholder will not be eligible for one of the options included in form LS-0828 ST 09/17.

**Variable 1: This option will not be available if the policyholder's Benefit Bank is at the minimum amount of \$75,000.**

**Variable 2: This option will not be available if the policyholder's age and increase amount does not meet triggers for a substantial premium increase as outlined in the policy or if they purchased the Lapse Protection Benefit.**

**Variable 3: This variable will not be available if the policyholder did not purchase the Lapse Protection Benefit.**

Since there appear to be 5 options in form LS-0828 ST 09/17 and all appear to be variable, why are only 3 variable options listed in the statement of variability. **Please see form for updated explanations.**

If an insured's premium is currently being waived because they are on claim, please advise how this will be handled? Will they be required to select an option at the time they are notified of the increase, at the time that they come of claim, etc.? **The Policyholder LTC Rate Increase Letter will be sent to the policyholder for notification purposes only; the LTC Rate Increase Notice will not be included. Once the policyholder is no longer on premium waiver, our Claims Department will contact our Actuarial Department to obtain premium rates. Documentation will be sent to the policyholder at this time.**

Pursuant to 14 VAC 5-200-75 D, an insurer is required to provide notice of an upcoming premium rate schedule increase to all policyholders at least 75 days prior to the implementation of the premium rate schedule increase. Please confirm that the company will comply with this requirement. **Policyholders will receive notice of upcoming premium rate schedule increase at least 75 days prior to the implementation of the premium rate schedule increase.**

Please provide a copy of the schedule page in "John Doe" format that will be provided when the increase is implemented. **The John Doe schedule of benefits is attached under Supporting Documentation.**

Please let me know if you have any questions.

<https://login.serff.com/serff/viewObjectionLetter.do?filingId=131119865&letterId=127752101&viewOnly=false> 1/2 10/31/2017 SERFF - System for Electronic Rate and Form Filing

Bob Grissom  
Chief Insurance Market Examiner  
Market Regulation  
Virginia Bureau of Insurance  
804-371-9152

Conclusion:

Sincerely,  
Bob Grissom



October 31, 2017

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

Dear Ms. Houser:

The following are LifeSecure's responses to your objections:

**1. We are unable to reproduce the present value calculations in your Exhibit C projections. Please provide an Excel spreadsheet with working formulas to demonstrate your calculations. The Company's previous response dated September 21, 2017 indicated that an Excel spreadsheet was filed, but we were unable to locate the file "Exhibits A-C&F Excel Format.xlsx."**

Our apologies. The Excel document was meant to be submitted, but it looks like we accidentally left it out. It will be sent this time.

**2. Regarding Objection Exhibit 3 (original assumptions and actual mix of business), rather than showing this information by duration, please recompute this exhibit by calendar year with the actual sales as they occurred so that this can be compared to the other inforce projections.**

Policy Terminations – Original Assumptions for Expected

Yr	Exposures	Terminations	Actual Rate	Expected Lapses	Expected Deaths	Expected T	Expected Rate	A/E Terminations	A/E Lapses
2007	9	5	55.56%	0.72	0.02	0.74	8.18%	6.79	6.92
2008	105	13	12.38%	8.16	0.60	8.76	8.34%	1.48	1.52
2009	294	28	9.52%	20.43	2.28	22.72	7.73%	1.23	1.26
2010	795	103	12.96%	54.05	7.09	61.14	7.69%	1.68	1.77
2011	1260	130	10.32%	75.32	11.01	86.34	6.85%	1.51	1.58
2012	2708	321	11.85%	170.09	17.63	187.72	6.93%	1.71	1.78
2013	4724	407	8.62%	283.27	28.16	311.43	6.59%	1.31	1.34
2014	7971	538	6.75%	464.46	47.74	512.20	6.43%	1.05	1.06
2015	13185	797	6.04%	752.57	72.26	824.83	6.26%	0.97	0.96
2016	12565	1213	9.65%	496.52	77.39	573.91	4.57%	2.11	2.29

Policy Terminations – Current Assumptions for Expected

Yr	Exposures	Terminations	Actual Rate	Expected Lapses	Expected Deaths	Expected T	Expected Rate	A/E Terminations	A/E Lapses
2007	9	5	55.56%	0.62	0.00	0.62	6.94%	8.00	8.06
2008	105	13	12.38%	6.27	0.14	6.41	6.10%	2.03	2.05
2009	294	28	9.52%	14.92	0.57	15.49	5.27%	1.81	1.84
2010	795	103	12.96%	37.73	1.87	39.60	4.98%	2.60	2.68
2011	1260	130	10.32%	56.21	3.43	59.64	4.73%	2.18	2.25
2012	2708	321	11.85%	137.04	5.92	142.97	5.28%	2.25	2.30
2013	4724	407	8.62%	235.13	9.88	245.01	5.19%	1.66	1.69
2014	7971	538	6.75%	381.37	16.88	398.24	5.00%	1.35	1.37
2015	13185	797	6.04%	648.12	27.07	675.18	5.12%	1.18	1.19
2016	12565	1213	9.65%	438.38	34.45	472.83	3.76%	2.57	2.69

**3. Please provide the active life reserve at the valuation date corresponding to each subset of the business for which a projection was provided.**

GPO	11,710,433
3% Inflation	17,705,734
5% Inflation	6,825,744

**4. Please provide additional details for the variations in rate increase percentages by age, inflation type, and any other factors by which the increase percentage varies.**

The request varies by inflation types, as discussed in the Actuarial Memorandum. However, LifeSecure markets a LTC product to employer groups, so the rate increase on employer groups is capped by these rates. Because the relationship of the original rates to the currently marketed rates is not linear, the cap affects the rate increase differently by rating cell. The cap varies by inflation type, monthly benefit percentage, issue age, and payment period. Please see Objection Exhibit 5 following this letter for a comparison of the requested rate increase to the capped rates by rating cell.

**5. Please provide the annual projection details corresponding to the response to our previous Objection 4, item 2.**

Please note the previous response gave:

PV Premium	310,382,604
PV Claims	191,077,353
Loss Ratio	59.1%

The loss ratio line's calculation was not performed correctly as the second value divided by the first is 61.1%. Objection Exhibit 6 is the annual projection, with the resulting lifetime loss ratio equal to the 61.1%.

Thank you for your time and consideration of this filing.

Sincerely,



Kevin Peake, FSA, MAAA  
Actuarial Manager  
LifeSecure Insurance Company

Enclosures

# **Objection Exhibit 5** **Rate Increase Request versus Cap**

**Employee Pay Base Premiums with GPO - Requested Rate Increase: 21%**

**Maximum Rate Increase Given Currently Marketed Rates**

**Monthly Benefit, as % of Benefit Bank:**

<b>Issue Age</b>	<b>1.0%</b> <b>(8.3 year BP)</b>	<b>2.0%</b> <b>(4.2 year BP)</b>	<b>3.0%</b> <b>(2.8 year BP)</b>
30 and under	18.0%	8.8%	1.5%
31	17.9%	8.7%	1.5%
32	18.0%	8.8%	1.4%
33	18.1%	8.8%	1.6%
34	18.1%	8.6%	1.5%
35	18.1%	8.7%	1.4%
36	17.9%	8.8%	1.5%
37	18.0%	8.8%	1.4%
38	18.0%	8.6%	1.5%
39	18.0%	8.7%	1.4%
40	18.0%	8.7%	1.5%
41	18.1%	8.8%	1.6%
42	18.1%	8.8%	1.4%
43	18.0%	8.8%	1.5%
44	18.0%	8.7%	1.4%
45	18.0%	8.8%	1.5%
46	18.0%	8.7%	1.4%
47	18.1%	8.7%	1.5%
48	18.1%	8.8%	1.5%
49	18.1%	8.8%	1.4%
50	18.0%	8.7%	1.4%
51	18.0%	8.7%	1.5%
52	18.0%	8.7%	1.5%
53	18.9%	9.7%	2.4%
54	19.7%	10.5%	3.5%
55	20.5%	11.3%	4.2%
56	21.2%	12.0%	5.0%
57	21.8%	12.7%	5.8%
58	20.8%	11.6%	4.7%
59	20.0%	10.8%	3.7%
60	19.3%	10.0%	2.9%
61	18.6%	9.3%	2.1%
62	18.0%	8.7%	1.5%
63	18.0%	8.7%	1.5%
64	18.0%	8.7%	1.5%
65	18.0%	8.8%	1.5%
66	18.0%	8.8%	1.5%
67	18.0%	8.7%	1.5%
68	18.0%	8.7%	1.5%
69	18.0%	8.8%	1.5%
70	18.0%	8.7%	1.5%
71	18.0%	8.7%	1.5%
72	18.0%	8.7%	1.5%
73	18.0%	8.7%	1.5%
74	18.0%	8.7%	1.5%
75	18.0%	8.7%	1.5%
76	18.0%	8.7%	1.5%
77	18.0%	8.7%	1.5%
78	22.0%	12.4%	5.0%
79	25.8%	15.9%	8.2%
80	25.8%	15.9%	8.2%
81	25.8%	15.9%	8.2%
82	25.8%	15.9%	8.2%
83	25.8%	15.9%	8.2%
84	25.8%	15.9%	8.2%

**Resulting Effective Rate Increase**

**Monthly Benefit, as % of Benefit Bank:**

<b>Issue Age</b>	<b>1%</b> <b>(8.3 year BP)</b>	<b>2%</b> <b>(4.2 year BP)</b>	<b>3%</b> <b>(2.8 year BP)</b>
30 and under	18.0%	8.8%	1.5%
31	17.9%	8.7%	1.5%
32	18.0%	8.8%	1.4%
33	18.1%	8.8%	1.6%
34	18.1%	8.6%	1.5%
35	18.1%	8.7%	1.4%
36	17.9%	8.8%	1.5%
37	18.0%	8.8%	1.4%
38	18.0%	8.6%	1.5%
39	18.0%	8.7%	1.4%
40	18.0%	8.7%	1.5%
41	18.1%	8.8%	1.6%
42	18.1%	8.8%	1.4%
43	18.0%	8.8%	1.5%
44	18.0%	8.7%	1.4%
45	18.0%	8.8%	1.5%
46	18.0%	8.7%	1.4%
47	18.1%	8.7%	1.5%
48	18.1%	8.8%	1.5%
49	18.1%	8.8%	1.4%
50	18.0%	8.7%	1.4%
51	18.0%	8.7%	1.5%
52	18.0%	8.7%	1.5%
53	18.9%	9.7%	2.4%
54	19.7%	10.5%	3.5%
55	20.5%	11.3%	4.2%
56	21.0%	12.0%	5.0%
57	21.0%	12.7%	5.8%
58	20.8%	11.6%	4.7%
59	20.0%	10.8%	3.7%
60	19.3%	10.0%	2.9%
61	18.6%	9.3%	2.1%
62	18.0%	8.7%	1.5%
63	18.0%	8.7%	1.5%
64	18.0%	8.7%	1.5%
65	18.0%	8.8%	1.5%
66	18.0%	8.8%	1.5%
67	18.0%	8.7%	1.5%
68	18.0%	8.7%	1.5%
69	18.0%	8.8%	1.5%
70	18.0%	8.7%	1.5%
71	18.0%	8.7%	1.5%
72	18.0%	8.7%	1.5%
73	18.0%	8.7%	1.5%
74	18.0%	8.7%	1.5%
75	18.0%	8.7%	1.5%
76	18.0%	8.7%	1.5%
77	18.0%	8.7%	1.5%
78	21.0%	12.4%	5.0%
79	21.0%	15.9%	8.2%
80	21.0%	15.9%	8.2%
81	21.0%	15.9%	8.2%
82	21.0%	15.9%	8.2%
83	21.0%	15.9%	8.2%
84	21.0%	15.9%	8.2%

**Employee Pay Base Premiums with 5% Inflation - Requested Rate Increase: 90%**

**Maximum Rate Increase Given Currently Marketed Rates**

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1.0% (8.3 year BP)	2.0% (4.2 year BP)	3.0% (2.8 year BP)
30 and under	97.4%	82.0%	69.9%
31	96.7%	81.2%	69.2%
32	95.8%	80.4%	68.2%
33	95.1%	79.8%	67.8%
34	94.0%	78.5%	66.7%
35	93.3%	77.9%	65.8%
36	91.8%	76.9%	65.1%
37	91.0%	76.2%	64.2%
38	90.0%	75.0%	63.5%
39	89.4%	74.4%	62.7%
40	88.3%	73.5%	61.9%
41	87.6%	72.9%	61.4%
42	86.5%	71.9%	60.3%
43	86.3%	71.6%	60.2%
44	85.6%	71.0%	59.5%
45	85.4%	70.9%	59.5%
46	84.7%	70.2%	58.8%
47	84.6%	69.9%	58.7%
48	82.9%	68.5%	57.3%
49	81.5%	67.3%	55.9%
50	79.7%	65.6%	54.4%
51	78.3%	64.2%	53.3%
52	76.4%	62.4%	51.7%
53	73.9%	60.4%	49.8%
54	70.7%	57.6%	47.5%
55	67.9%	55.1%	45.3%
56	64.4%	52.0%	42.5%
57	61.3%	49.2%	40.1%
58	56.2%	44.4%	35.4%
59	51.9%	40.2%	31.3%
60	47.2%	35.8%	27.0%
61	43.0%	31.8%	23.2%
62	38.5%	27.6%	19.1%
63	37.1%	26.3%	17.8%
64	35.1%	24.5%	16.2%
65	33.6%	23.1%	14.9%
66	31.5%	21.1%	13.0%
67	29.7%	19.5%	11.5%
68	27.3%	17.3%	9.5%
69	25.3%	15.5%	7.8%
70	23.2%	13.5%	5.9%
71	20.9%	11.4%	3.9%
72	17.8%	8.5%	1.2%
73	18.2%	8.9%	1.6%
74	18.0%	8.7%	1.4%
75	17.7%	8.4%	1.2%
76	18.2%	8.9%	1.6%
77	17.9%	8.7%	1.4%
78	21.8%	12.2%	4.8%
79	25.4%	15.5%	7.9%
80	25.4%	15.5%	7.9%
81	25.4%	15.5%	7.9%
82	25.4%	15.5%	7.9%
83	25.4%	15.5%	7.9%
84	25.4%	15.5%	7.9%

**Resulting Effective Rate Increase**

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	90.0%	82.0%	69.9%
31	90.0%	81.2%	69.2%
32	90.0%	80.4%	68.2%
33	90.0%	79.8%	67.8%
34	90.0%	78.5%	66.7%
35	90.0%	77.9%	65.8%
36	90.0%	76.9%	65.1%
37	90.0%	76.2%	64.2%
38	90.0%	75.0%	63.5%
39	89.4%	74.4%	62.7%
40	88.3%	73.5%	61.9%
41	87.6%	72.9%	61.4%
42	86.5%	71.9%	60.3%
43	86.3%	71.6%	60.2%
44	85.6%	71.0%	59.5%
45	85.4%	70.9%	59.5%
46	84.7%	70.2%	58.8%
47	84.6%	69.9%	58.7%
48	82.9%	68.5%	57.3%
49	81.5%	67.3%	55.9%
50	79.7%	65.6%	54.4%
51	78.3%	64.2%	53.3%
52	76.4%	62.4%	51.7%
53	73.9%	60.4%	49.8%
54	70.7%	57.6%	47.5%
55	67.9%	55.1%	45.3%
56	64.4%	52.0%	42.5%
57	61.3%	49.2%	40.1%
58	56.2%	44.4%	35.4%
59	51.9%	40.2%	31.3%
60	47.2%	35.8%	27.0%
61	43.0%	31.8%	23.2%
62	38.5%	27.6%	19.1%
63	37.1%	26.3%	17.8%
64	35.1%	24.5%	16.2%
65	33.6%	23.1%	14.9%
66	31.5%	21.1%	13.0%
67	29.7%	19.5%	11.5%
68	27.3%	17.3%	9.5%
69	25.3%	15.5%	7.8%
70	23.2%	13.5%	5.9%
71	20.9%	11.4%	3.9%
72	17.8%	8.5%	1.2%
73	18.2%	8.9%	1.6%
74	18.0%	8.7%	1.4%
75	17.7%	8.4%	1.2%
76	18.2%	8.9%	1.6%
77	17.9%	8.7%	1.4%
78	21.8%	12.2%	4.8%
79	25.4%	15.5%	7.9%
80	25.4%	15.5%	7.9%
81	25.4%	15.5%	7.9%
82	25.4%	15.5%	7.9%
83	25.4%	15.5%	7.9%
84	25.4%	15.5%	7.9%



**Employee Pay Base Premiums with 3% Inflation - Requested Rate Increase: 42%**

**Maximum Rate Increase Given Currently Marketed Rates**

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1.0% (8.3 year BP)	2.0% (4.2 year BP)	3.0% (2.8 year BP)
30 and under	39.3%	28.4%	19.8%
31	38.7%	27.8%	19.3%
32	38.3%	27.4%	18.8%
33	37.8%	27.0%	18.5%
34	37.2%	26.3%	17.9%
35	36.7%	25.8%	17.3%
36	36.5%	25.9%	17.5%
37	35.9%	25.4%	16.9%
38	35.3%	24.5%	16.4%
39	34.6%	23.9%	15.6%
40	33.8%	23.3%	15.1%
41	33.1%	22.7%	14.5%
42	32.9%	22.5%	14.2%
43	32.5%	22.1%	14.0%
44	32.1%	21.7%	13.6%
45	31.7%	21.5%	13.3%
46	31.3%	21.1%	12.9%
47	31.1%	20.6%	12.7%
48	30.6%	20.3%	12.3%
49	30.7%	20.4%	12.2%
50	30.2%	19.9%	11.9%
51	29.7%	19.4%	11.5%
52	29.2%	18.9%	11.1%
53	29.9%	19.8%	11.9%
54	30.5%	20.5%	12.8%
55	31.1%	21.1%	13.4%
56	32.3%	22.2%	14.6%
57	32.7%	22.7%	15.3%
58	31.4%	21.5%	13.9%
59	30.4%	20.4%	12.7%
60	29.4%	19.4%	11.6%
61	28.5%	18.5%	10.7%
62	28.4%	18.4%	10.4%
63	28.7%	18.6%	10.6%
64	28.9%	18.8%	10.9%
65	29.3%	19.1%	11.2%
66	29.6%	19.4%	11.4%
67	29.8%	19.6%	11.6%
68	27.5%	17.5%	9.6%
69	25.1%	15.3%	7.6%
70	23.5%	13.8%	6.2%
71	20.9%	11.4%	4.0%
72	18.2%	8.9%	1.7%
73	17.6%	8.4%	1.1%
74	17.9%	8.6%	1.4%
75	18.1%	8.8%	1.6%
76	18.4%	9.1%	1.8%
77	17.7%	8.5%	1.2%
78	22.5%	12.9%	5.4%
79	26.0%	16.1%	8.4%
80	26.0%	16.1%	8.4%
81	26.0%	16.1%	8.4%
82	26.0%	16.1%	8.4%
83	26.0%	16.1%	8.4%
84	26.0%	16.1%	8.4%

**Resulting Effective Rate Increase**

Issue Age	Monthly Benefit, as % of Benefit Bank:		
	1% (8.3 year BP)	2% (4.2 year BP)	3% (2.8 year BP)
30 and under	39.3%	28.4%	19.8%
31	38.7%	27.8%	19.3%
32	38.3%	27.4%	18.8%
33	37.8%	27.0%	18.5%
34	37.2%	26.3%	17.9%
35	36.7%	25.8%	17.3%
36	36.5%	25.9%	17.5%
37	35.9%	25.4%	16.9%
38	35.3%	24.5%	16.4%
39	34.6%	23.9%	15.6%
40	33.8%	23.3%	15.1%
41	33.1%	22.7%	14.5%
42	32.9%	22.5%	14.2%
43	32.5%	22.1%	14.0%
44	32.1%	21.7%	13.6%
45	31.7%	21.5%	13.3%
46	31.3%	21.1%	12.9%
47	31.1%	20.6%	12.7%
48	30.6%	20.3%	12.3%
49	30.7%	20.4%	12.2%
50	30.2%	19.9%	11.9%
51	29.7%	19.4%	11.5%
52	29.2%	18.9%	11.1%
53	29.9%	19.8%	11.9%
54	30.5%	20.5%	12.8%
55	31.1%	21.1%	13.4%
56	32.3%	22.2%	14.6%
57	32.7%	22.7%	15.3%
58	31.4%	21.5%	13.9%
59	30.4%	20.4%	12.7%
60	29.4%	19.4%	11.6%
61	28.5%	18.5%	10.7%
62	28.4%	18.4%	10.4%
63	28.7%	18.6%	10.6%
64	28.9%	18.8%	10.9%
65	29.3%	19.1%	11.2%
66	29.6%	19.4%	11.4%
67	29.8%	19.6%	11.6%
68	27.5%	17.5%	9.6%
69	25.1%	15.3%	7.6%
70	23.5%	13.8%	6.2%
71	20.9%	11.4%	4.0%
72	18.2%	8.9%	1.7%
73	17.6%	8.4%	1.1%
74	17.9%	8.6%	1.4%
75	18.1%	8.8%	1.6%
76	18.4%	9.1%	1.8%
77	17.7%	8.5%	1.2%
78	22.5%	12.9%	5.4%
79	26.0%	16.1%	8.4%
80	26.0%	16.1%	8.4%
81	26.0%	16.1%	8.4%
82	26.0%	16.1%	8.4%
83	26.0%	16.1%	8.4%
84	26.0%	16.1%	8.4%

**Employee Pay 10-Pay Premiums with 5% Inflation - Requested Rate Increase: 90%**

**Maximum Rate Increase Given Currently Marketed Rates**

**Monthly Benefit, as % of Benefit Bank:**

<b>Issue Age</b>	<b>1.0% (8.3 year BP)</b>	<b>2.0% (4.2 year BP)</b>	<b>3.0% (2.8 year BP)</b>
30 and under	97.4%	82.0%	69.9%
31	96.7%	81.2%	69.2%
32	95.8%	80.4%	68.2%
33	95.1%	79.8%	67.8%
34	94.0%	78.5%	66.7%
35	93.3%	77.9%	65.8%
36	91.8%	76.9%	65.1%
37	91.0%	76.2%	64.2%
38	90.0%	75.0%	63.5%
39	89.4%	74.4%	62.7%
40	88.3%	73.5%	61.9%
41	87.6%	72.9%	61.4%
42	86.5%	71.9%	60.3%
43	86.3%	71.6%	60.2%
44	85.6%	71.0%	59.5%
45	85.4%	70.9%	59.5%
46	84.7%	70.2%	58.8%
47	84.6%	69.9%	58.7%
48	82.9%	68.5%	57.3%
49	81.5%	67.3%	55.9%
50	79.7%	65.6%	54.4%
51	78.3%	64.2%	53.3%
52	76.4%	62.4%	51.7%
53	73.9%	60.4%	49.8%
54	70.7%	57.6%	47.5%
55	67.9%	55.1%	45.3%
56	64.4%	52.0%	42.5%
57	61.3%	49.2%	40.1%
58	56.2%	44.4%	35.4%
59	51.9%	40.2%	31.3%
60	44.4%	33.3%	24.6%
61	36.1%	25.4%	17.2%
62	27.5%	17.5%	9.6%
63	25.3%	15.4%	7.7%
64	22.5%	12.9%	5.4%
65	20.8%	11.4%	3.9%
66	17.9%	8.6%	1.4%
67	15.3%	6.3%	0.0%
68	10.5%	1.8%	0.0%
69	5.9%	0.0%	0.0%
70	1.2%	0.0%	0.0%
71	0.0%	0.0%	0.0%
72	0.0%	0.0%	0.0%
73	0.0%	0.0%	0.0%
74	0.0%	0.0%	0.0%
75	0.0%	0.0%	0.0%
76	0.0%	0.0%	0.0%
77	0.0%	0.0%	0.0%
78	0.0%	0.0%	0.0%
79	0.0%	0.0%	0.0%
80	0.0%	0.0%	0.0%
81	0.0%	0.0%	0.0%
82	0.7%	0.0%	0.0%
83	2.0%	0.0%	0.0%
84	3.4%	0.0%	0.0%

**Resulting Effective Rate Increase**

**Monthly Benefit, as % of Benefit Bank:**

<b>Issue Age</b>	<b>1% (8.3 year BP)</b>	<b>2% (4.2 year BP)</b>	<b>3% (2.8 year BP)</b>
30 and under	90.0%	82.0%	69.9%
31	90.0%	81.2%	69.2%
32	90.0%	80.4%	68.2%
33	90.0%	79.8%	67.8%
34	90.0%	78.5%	66.7%
35	90.0%	77.9%	65.8%
36	90.0%	76.9%	65.1%
37	90.0%	76.2%	64.2%
38	90.0%	75.0%	63.5%
39	89.4%	74.4%	62.7%
40	88.3%	73.5%	61.9%
41	87.6%	72.9%	61.4%
42	86.5%	71.9%	60.3%
43	86.3%	71.6%	60.2%
44	85.6%	71.0%	59.5%
45	85.4%	70.9%	59.5%
46	84.7%	70.2%	58.8%
47	84.6%	69.9%	58.7%
48	82.9%	68.5%	57.3%
49	81.5%	67.3%	55.9%
50	79.7%	65.6%	54.4%
51	78.3%	64.2%	53.3%
52	76.4%	62.4%	51.7%
53	73.9%	60.4%	49.8%
54	70.7%	57.6%	47.5%
55	67.9%	55.1%	45.3%
56	64.4%	52.0%	42.5%
57	61.3%	49.2%	40.1%
58	56.2%	44.4%	35.4%
59	51.9%	40.2%	31.3%
60	44.4%	33.3%	24.6%
61	36.1%	25.4%	17.2%
62	27.5%	17.5%	9.6%
63	25.3%	15.4%	7.7%
64	22.5%	12.9%	5.4%
65	20.8%	11.4%	3.9%
66	17.9%	8.6%	1.4%
67	15.3%	6.3%	0.0%
68	10.5%	1.8%	0.0%
69	5.9%	0.0%	0.0%
70	1.2%	0.0%	0.0%
71	0.0%	0.0%	0.0%
72	0.0%	0.0%	0.0%
73	0.0%	0.0%	0.0%
74	0.0%	0.0%	0.0%
75	0.0%	0.0%	0.0%
76	0.0%	0.0%	0.0%
77	0.0%	0.0%	0.0%
78	0.0%	0.0%	0.0%
79	0.0%	0.0%	0.0%
80	0.0%	0.0%	0.0%
81	0.0%	0.0%	0.0%
82	0.7%	0.0%	0.0%
83	2.0%	0.0%	0.0%
84	3.4%	0.0%	0.0%

**Employee Pay 10-Pay Premiums with 3% Inflation - Requested Rate Increase: 42%**

**Maximum Rate Increase Given Currently Marketed Rates**

**Monthly Benefit, as % of Benefit Bank:**

<b>Issue Age</b>	<b>1.0% (8.3 year BP)</b>	<b>2.0% (4.2 year BP)</b>	<b>3.0% (2.8 year BP)</b>
30 and under	39.3%	28.4%	19.8%
31	38.7%	27.8%	19.3%
32	38.3%	27.4%	18.8%
33	37.8%	27.0%	18.5%
34	37.2%	26.3%	17.9%
35	36.7%	25.8%	17.3%
36	36.5%	25.9%	17.5%
37	35.9%	25.4%	16.9%
38	35.3%	24.5%	16.4%
39	34.6%	23.9%	15.6%
40	33.8%	23.3%	15.1%
41	33.1%	22.7%	14.5%
42	32.9%	22.5%	14.2%
43	32.5%	22.1%	14.0%
44	32.1%	21.7%	13.6%
45	31.7%	21.5%	13.3%
46	31.3%	21.1%	12.9%
47	31.1%	20.6%	12.7%
48	30.6%	20.3%	12.3%
49	30.7%	20.4%	12.2%
50	30.2%	19.9%	11.9%
51	29.7%	19.4%	11.5%
52	29.2%	18.9%	11.1%
53	29.9%	19.8%	11.9%
54	30.5%	20.5%	12.8%
55	31.1%	21.1%	13.4%
56	32.3%	22.2%	14.6%
57	32.7%	22.7%	15.3%
58	31.4%	21.5%	13.9%
59	30.4%	20.4%	12.7%
60	27.0%	17.2%	9.5%
61	22.3%	12.7%	5.3%
62	18.2%	9.0%	1.7%
63	17.6%	8.4%	1.1%
64	16.9%	7.7%	0.6%
65	16.9%	7.7%	0.5%
66	16.2%	7.1%	0.0%
67	15.4%	6.3%	0.0%
68	10.7%	2.0%	0.0%
69	5.8%	0.0%	0.0%
70	1.5%	0.0%	0.0%
71	0.0%	0.0%	0.0%
72	0.0%	0.0%	0.0%
73	0.0%	0.0%	0.0%
74	0.0%	0.0%	0.0%
75	0.0%	0.0%	0.0%
76	0.0%	0.0%	0.0%
77	0.0%	0.0%	0.0%
78	0.0%	0.0%	0.0%
79	0.0%	0.0%	0.0%
80	0.0%	0.0%	0.0%
81	0.0%	0.0%	0.0%
82	1.2%	0.0%	0.0%
83	2.5%	0.0%	0.0%
84	3.9%	0.0%	0.0%

**Resulting Effective Rate Increase**

**Monthly Benefit, as % of Benefit Bank:**

<b>Issue Age</b>	<b>1% (8.3 year BP)</b>	<b>2% (4.2 year BP)</b>	<b>3% (2.8 year BP)</b>
30 and under	39.3%	28.4%	19.8%
31	38.7%	27.8%	19.3%
32	38.3%	27.4%	18.8%
33	37.8%	27.0%	18.5%
34	37.2%	26.3%	17.9%
35	36.7%	25.8%	17.3%
36	36.5%	25.9%	17.5%
37	35.9%	25.4%	16.9%
38	35.3%	24.5%	16.4%
39	34.6%	23.9%	15.6%
40	33.8%	23.3%	15.1%
41	33.1%	22.7%	14.5%
42	32.9%	22.5%	14.2%
43	32.5%	22.1%	14.0%
44	32.1%	21.7%	13.6%
45	31.7%	21.5%	13.3%
46	31.3%	21.1%	12.9%
47	31.1%	20.6%	12.7%
48	30.6%	20.3%	12.3%
49	30.7%	20.4%	12.2%
50	30.2%	19.9%	11.9%
51	29.7%	19.4%	11.5%
52	29.2%	18.9%	11.1%
53	29.9%	19.8%	11.9%
54	30.5%	20.5%	12.8%
55	31.1%	21.1%	13.4%
56	32.3%	22.2%	14.6%
57	32.7%	22.7%	15.3%
58	31.4%	21.5%	13.9%
59	30.4%	20.4%	12.7%
60	27.0%	17.2%	9.5%
61	22.3%	12.7%	5.3%
62	18.2%	9.0%	1.7%
63	17.6%	8.4%	1.1%
64	16.9%	7.7%	0.6%
65	16.9%	7.7%	0.5%
66	16.2%	7.1%	0.0%
67	15.4%	6.3%	0.0%
68	10.7%	2.0%	0.0%
69	5.8%	0.0%	0.0%
70	1.5%	0.0%	0.0%
71	0.0%	0.0%	0.0%
72	0.0%	0.0%	0.0%
73	0.0%	0.0%	0.0%
74	0.0%	0.0%	0.0%
75	0.0%	0.0%	0.0%
76	0.0%	0.0%	0.0%
77	0.0%	0.0%	0.0%
78	0.0%	0.0%	0.0%
79	0.0%	0.0%	0.0%
80	0.0%	0.0%	0.0%
81	0.0%	0.0%	0.0%
82	1.2%	0.0%	0.0%
83	2.5%	0.0%	0.0%
84	3.9%	0.0%	0.0%

**Objection Exhibit 5**  
**Loss Ratio with Rate Increase Applied from Issue**

Year	Actual Earned Premium w/Rate Increase	Actual Incurred Claims	Loss Ratio with Rate Increase
2007	93,706	2,590	2.8%
2008	316,204	12,345	3.9%
2009	830,560	37,312	4.5%
2010	1,564,716	34,878	2.2%
2011	2,831,290	92,378	3.3%
2012	5,484,918	375,052	6.8%
2013	10,348,930	683,961	6.6%
2014	18,972,891	834,375	4.4%
2015	21,111,683	456,739	2.2%
2016	20,187,974	379,891	1.9%
Total	81,742,870	2,909,520	3.6%
<b>Acc @ 3.7%</b>	<b>88,933,203</b>	<b>3,227,707</b>	<b>3.6%</b>

Year	Projected Earned Premium w/Rate Increase	Projected Incurred Claims	with Rate Increase
2017	19,292,958	1,497,495	7.8%
2018	18,796,005	1,796,483	9.6%
2019	18,197,681	2,127,151	11.7%
2020	17,709,920	2,494,262	14.1%
2021	17,158,448	2,898,656	16.9%
2022	16,439,729	3,332,682	20.3%
2023	15,499,110	3,801,319	24.5%
2024	13,901,768	4,287,654	30.8%
2025	13,211,834	4,813,844	36.4%
2026	12,697,540	5,386,904	42.4%
2027	12,172,445	6,012,989	49.4%
2028	11,638,210	6,706,740	57.6%
2029	11,088,694	7,450,083	67.2%
2030	10,528,143	8,231,907	78.2%
2031	9,953,677	9,054,535	91.0%
2032	9,369,716	9,901,297	105.7%
2033	8,793,150	10,747,672	122.2%
2034	8,215,395	11,600,412	141.2%
2035	7,638,933	12,442,961	162.9%
2036	7,065,915	13,238,524	187.4%
2037	6,504,821	13,967,495	214.7%
2038	5,956,428	14,617,181	245.4%
2039	5,424,725	15,174,274	279.7%
2040	4,913,782	15,606,139	317.6%
2041	4,422,381	15,910,835	359.8%
2042	3,949,264	16,049,397	406.4%
2043	3,512,867	16,029,458	456.3%
2044	3,110,317	15,864,207	510.1%
2045	2,738,428	15,565,650	568.4%
2046	2,398,055	15,131,619	631.0%
2047	2,090,326	14,566,736	696.9%
2048	1,813,432	13,894,908	766.2%
2049	1,566,475	13,144,656	839.1%
2050	1,347,897	12,353,993	916.5%
2051	1,155,640	11,518,171	996.7%
2052	987,600	10,658,755	1079.3%
2053	841,567	9,814,142	1166.2%
2054	715,317	8,981,030	1255.5%
2055	606,739	8,171,756	1346.8%
2056	513,772	7,402,220	1440.8%
2057+	2,579,578	52,951,716	2052.7%
Total	316,518,681	445,197,903	140.7%
<b>Disc @ 3.7%</b>	<b>221,449,401</b>	<b>187,849,646</b>	<b>84.8%</b>
<b>Lifetime @ 3.7%</b>	<b>310,382,604</b>	<b>191,077,353</b>	<b>61.6%</b>

**Attachment 1a**  
**LifeSecure Insurance Company**  
**Original Pricing Assumptions with Actual Business Mix**  
**Total Policies**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	79,241	1,253	1.6%	1.0183
2008	323,373	9,099	2.8%	0.9820
2009	794,606	31,296	3.9%	0.9470
2010	1,539,187	73,293	4.8%	0.9132
2011	2,749,814	135,847	4.9%	0.8806
2012	5,137,938	242,977	4.7%	0.8492
2013	9,045,029	418,036	4.6%	0.8189
2014	15,391,785	699,824	4.5%	0.7897
2015	16,433,658	961,395	5.9%	0.7615
2016	15,993,533	1,236,603	7.7%	0.7343
2017	15,402,291	1,537,388	10.0%	0.7081
2018	14,874,450	1,866,533	12.5%	0.6828
2019	14,397,417	2,210,361	15.4%	0.6585
2020	13,928,895	2,563,945	18.4%	0.6350
2021	13,376,513	2,912,352	21.8%	0.6123
2022	12,719,493	3,247,938	25.5%	0.5905
2023	11,966,117	3,590,340	30.0%	0.5694
2024	10,773,399	3,942,693	36.6%	0.5491
2025	10,197,075	4,327,546	42.4%	0.5295
2026	9,742,990	4,746,525	48.7%	0.5106
2027	9,290,359	5,194,901	55.9%	0.4924
2028	8,835,809	5,684,472	64.3%	0.4748
2029	8,372,004	6,196,005	74.0%	0.4579
2030	7,904,370	6,736,245	85.2%	0.4415
2031	7,433,854	7,291,451	98.1%	0.4258
2032	6,967,805	7,845,044	112.6%	0.4106
2033	6,510,849	8,391,969	128.9%	0.3960
2034	6,056,882	8,922,721	147.3%	0.3818
2035	5,610,217	9,438,298	168.2%	0.3682
2036	5,171,788	9,913,655	191.7%	0.3551
2037	4,743,964	10,332,292	217.8%	0.3424
2038	4,331,253	10,693,138	246.9%	0.3302
2039	3,935,160	10,978,829	279.0%	0.3184
2040	3,557,760	11,189,138	314.5%	0.3070
2041	3,196,136	11,303,340	353.7%	0.2961
2042	2,853,783	11,308,267	396.3%	0.2855
2043	2,538,532	11,219,812	442.0%	0.2753
2044	2,249,542	11,031,905	490.4%	0.2655
2045	1,983,242	10,765,896	542.8%	0.2560
2046	1,740,314	10,411,386	598.2%	0.2469
2047	1,522,804	9,982,509	655.5%	0.2381
2048	1,327,753	9,508,278	716.1%	0.2296
2049	1,154,196	8,982,338	778.2%	0.2214
2050	1,000,361	8,437,667	843.5%	0.2135
2051	863,382	7,865,322	911.0%	0.2059
2052	744,629	7,280,941	977.8%	0.1985
2053	641,797	6,707,986	1045.2%	0.1915
2054	552,560	6,130,875	1109.5%	0.1846
2055	475,371	5,583,785	1174.6%	0.1780
2056	408,690	5,062,831	1238.8%	0.1717
2057	350,868	4,580,840	1305.6%	0.1656
2058	300,975	4,142,408	1376.3%	0.1597
2059	257,846	3,731,311	1447.1%	0.1540
2060	220,626	3,354,927	1520.6%	0.1485
2061	188,680	3,003,021	1591.6%	0.1432
2062	161,098	2,689,194	1669.3%	0.1381
2063	137,269	2,409,535	1755.3%	0.1331
2064	116,690	2,150,203	1842.7%	0.1284
2065	98,931	1,914,992	1935.7%	0.1238
2066	83,604	1,696,213	2028.9%	0.1194
Total PV @ 3.7%	173,785,798	104,103,692	59.9%	

**Attachment 1b**  
**LifeSecure Insurance Company**  
**Original Pricing Assumptions with Actual Business Mix**  
**GPO Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	27,281	766	2.8%	1.0183
2008	201,797	6,975	3.5%	0.9820
2009	572,618	25,535	4.5%	0.9470
2010	1,081,369	60,296	5.6%	0.9132
2011	1,672,324	106,606	6.4%	0.8806
2012	2,614,743	177,647	6.8%	0.8492
2013	4,026,980	285,970	7.1%	0.8189
2014	6,147,300	446,883	7.3%	0.7897
2015	6,505,691	600,802	9.2%	0.7615
2016	6,328,600	758,948	12.0%	0.7343
2017	6,097,697	921,128	15.1%	0.7081
2018	5,869,750	1,086,084	18.5%	0.6828
2019	5,657,534	1,251,695	22.1%	0.6585
2020	5,454,295	1,413,978	25.9%	0.6350
2021	5,250,463	1,567,591	29.9%	0.6123
2022	5,045,100	1,712,263	33.9%	0.5905
2023	4,838,325	1,855,982	38.4%	0.5694
2024	4,630,172	1,996,500	43.1%	0.5491
2025	4,420,621	2,145,507	48.5%	0.5295
2026	4,209,727	2,298,951	54.6%	0.5106
2027	3,997,799	2,454,845	61.4%	0.4924
2028	3,785,253	2,616,902	69.1%	0.4748
2029	3,572,518	2,773,363	77.6%	0.4579
2030	3,360,130	2,928,631	87.2%	0.4415
2031	3,148,663	3,077,438	97.7%	0.4258
2032	2,939,107	3,210,481	109.2%	0.4106
2033	2,732,370	3,327,989	121.8%	0.3960
2034	2,529,497	3,423,915	135.4%	0.3818
2035	2,331,461	3,502,412	150.2%	0.3682
2036	2,139,346	3,555,250	166.2%	0.3551
2037	1,954,214	3,579,756	183.2%	0.3424
2038	1,777,044	3,575,380	201.2%	0.3302
2039	1,608,611	3,538,764	220.0%	0.3184
2040	1,449,638	3,479,893	240.1%	0.3070
2041	1,300,612	3,393,986	261.0%	0.2961
2042	1,161,937	3,280,937	282.4%	0.2855
2043	1,033,824	3,146,310	304.3%	0.2753
2044	916,294	2,990,611	326.4%	0.2655
2045	809,237	2,823,243	348.9%	0.2560
2046	712,326	2,644,791	371.3%	0.2469
2047	625,205	2,458,270	393.2%	0.2381
2048	547,340	2,269,294	414.6%	0.2296
2049	478,159	2,079,472	434.9%	0.2214
2050	417,002	1,896,250	454.7%	0.2135
2051	363,171	1,720,974	473.9%	0.2059
2052	315,960	1,552,887	491.5%	0.1985
2053	274,703	1,395,471	508.0%	0.1915
2054	238,741	1,248,619	523.0%	0.1846
2055	207,434	1,116,468	538.2%	0.1780
2056	180,173	998,654	554.3%	0.1717
2057	156,429	892,590	570.6%	0.1656
2058	135,728	798,113	588.0%	0.1597
2059	117,656	713,686	606.6%	0.1540
2060	101,858	638,239	626.6%	0.1485
2061	88,036	570,900	648.5%	0.1432
2062	75,939	510,530	672.3%	0.1381
2063	65,344	455,327	696.8%	0.1331
2064	56,066	405,371	723.0%	0.1284
2065	47,947	360,108	751.1%	0.1238
2066	40,846	318,877	780.7%	0.1194
Total PV @ 3.7%	72,539,785	38,211,973	52.7%	

**Attachment 1c**  
**LifeSecure Insurance Company**  
**Original Pricing Assumptions with Actual Business Mix**  
**3% Compound Inflation Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	33,962	404	1.2%	1.0183
2008	72,348	1,602	2.2%	0.9820
2009	162,360	4,465	2.7%	0.9470
2010	362,517	10,835	3.0%	0.9132
2011	795,700	24,679	3.1%	0.8806
2012	1,964,975	55,588	2.8%	0.8492
2013	3,890,090	112,810	2.9%	0.8189
2014	7,264,691	217,663	3.0%	0.7897
2015	7,833,505	311,898	4.0%	0.7615
2016	7,627,159	413,179	5.4%	0.7343
2017	7,338,951	532,523	7.3%	0.7081
2018	7,096,654	672,753	9.5%	0.6828
2019	6,881,281	823,442	12.0%	0.6585
2020	6,666,613	983,828	14.8%	0.6350
2021	6,420,085	1,146,276	17.9%	0.6123
2022	6,058,648	1,306,537	21.6%	0.5905
2023	5,677,938	1,471,791	25.9%	0.5694
2024	5,045,801	1,647,571	32.7%	0.5491
2025	4,762,563	1,842,698	38.7%	0.5295
2026	4,557,852	2,060,851	45.2%	0.5106
2027	4,356,932	2,301,002	52.8%	0.4924
2028	4,151,312	2,566,197	61.8%	0.4748
2029	3,943,146	2,851,950	72.3%	0.4579
2030	3,728,722	3,158,478	84.7%	0.4415
2031	3,510,220	3,478,585	99.1%	0.4258
2032	3,292,506	3,804,954	115.6%	0.4106
2033	3,080,073	4,129,770	134.1%	0.3960
2034	2,868,593	4,451,219	155.2%	0.3818
2035	2,659,322	4,768,043	179.3%	0.3682
2036	2,453,018	5,065,092	206.5%	0.3551
2037	2,248,728	5,330,568	237.0%	0.3424
2038	2,050,446	5,560,125	271.2%	0.3302
2039	1,859,532	5,747,077	309.1%	0.3184
2040	1,677,170	5,886,522	351.0%	0.3070
2041	1,500,132	5,965,876	397.7%	0.2961
2042	1,334,641	5,974,528	447.7%	0.2855
2043	1,181,447	5,920,809	501.1%	0.2753
2044	1,041,003	5,805,769	557.7%	0.2655
2045	912,025	5,640,165	618.4%	0.2560
2046	794,790	5,422,872	682.3%	0.2469
2047	689,903	5,158,269	747.7%	0.2381
2048	596,276	4,864,591	815.8%	0.2296
2049	513,505	4,546,013	885.3%	0.2214
2050	440,509	4,221,916	958.4%	0.2135
2051	376,501	3,887,108	1032.4%	0.2059
2052	321,608	3,546,226	1102.7%	0.1985
2053	274,337	3,214,097	1171.6%	0.1915
2054	233,795	2,886,339	1234.6%	0.1846
2055	199,181	2,584,372	1297.5%	0.1780
2056	169,685	2,304,267	1358.0%	0.1717
2057	144,580	2,049,962	1417.9%	0.1656
2058	123,221	1,823,830	1480.1%	0.1597
2059	105,037	1,620,219	1542.5%	0.1540
2060	89,545	1,442,762	1611.2%	0.1485
2061	76,322	1,284,672	1683.2%	0.1432
2062	65,018	1,146,206	1762.9%	0.1381
2063	55,336	1,024,422	1851.3%	0.1331
2064	47,033	915,502	1946.5%	0.1284
2065	39,904	818,274	2050.6%	0.1238
2066	33,771	729,196	2159.2%	0.1194
Total PV @ 3.7%	80,532,835	49,486,934	61.4%	

**Attachment 1d**  
**LifeSecure Insurance Company**  
**Original Pricing Assumptions with Actual Business Mix**  
**5% Compound Inflation Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	17,997	83	0.5%	1.0183
2008	49,228	523	1.1%	0.9820
2009	59,627	1,296	2.2%	0.9470
2010	95,301	2,162	2.3%	0.9132
2011	281,789	4,562	1.6%	0.8806
2012	558,220	9,743	1.7%	0.8492
2013	1,127,958	19,256	1.7%	0.8189
2014	1,979,794	35,278	1.8%	0.7897
2015	2,094,463	48,695	2.3%	0.7615
2016	2,037,774	64,477	3.2%	0.7343
2017	1,965,643	83,738	4.3%	0.7081
2018	1,908,046	107,696	5.6%	0.6828
2019	1,858,601	135,223	7.3%	0.6585
2020	1,807,987	166,139	9.2%	0.6350
2021	1,705,965	198,485	11.6%	0.6123
2022	1,615,745	229,138	14.2%	0.5905
2023	1,449,854	262,567	18.1%	0.5694
2024	1,097,426	298,623	27.2%	0.5491
2025	1,013,892	339,341	33.5%	0.5295
2026	975,410	386,723	39.6%	0.5106
2027	935,628	439,054	46.9%	0.4924
2028	899,245	501,373	55.8%	0.4748
2029	856,341	570,692	66.6%	0.4579
2030	815,519	649,136	79.6%	0.4415
2031	774,971	735,428	94.9%	0.4258
2032	736,191	829,608	112.7%	0.4106
2033	698,406	934,209	133.8%	0.3960
2034	658,792	1,047,587	159.0%	0.3818
2035	619,434	1,167,843	188.5%	0.3682
2036	579,424	1,293,313	223.2%	0.3551
2037	541,022	1,421,968	262.8%	0.3424
2038	503,763	1,557,633	309.2%	0.3302
2039	467,017	1,692,988	362.5%	0.3184
2040	430,953	1,822,724	423.0%	0.3070
2041	395,392	1,943,479	491.5%	0.2961
2042	357,204	2,052,803	574.7%	0.2855
2043	323,261	2,152,693	665.9%	0.2753
2044	292,245	2,235,525	764.9%	0.2655
2045	261,980	2,302,489	878.9%	0.2560
2046	233,198	2,343,723	1005.0%	0.2469
2047	207,695	2,365,970	1139.2%	0.2381
2048	184,137	2,374,393	1289.5%	0.2296
2049	162,533	2,356,852	1450.1%	0.2214
2050	142,850	2,319,501	1623.7%	0.2135
2051	123,710	2,257,240	1824.6%	0.2059
2052	107,061	2,181,829	2037.9%	0.1985
2053	92,756	2,098,418	2262.3%	0.1915
2054	80,023	1,995,916	2494.2%	0.1846
2055	68,756	1,882,946	2738.6%	0.1780
2056	58,832	1,759,910	2991.4%	0.1717
2057	49,859	1,638,288	3285.9%	0.1656
2058	42,027	1,520,465	3617.9%	0.1597
2059	35,153	1,397,406	3975.2%	0.1540
2060	29,223	1,273,927	4359.3%	0.1485
2061	24,322	1,147,450	4717.8%	0.1432
2062	20,141	1,032,457	5126.2%	0.1381
2063	16,589	929,786	5604.9%	0.1331
2064	13,591	829,330	6102.1%	0.1284
2065	11,080	736,610	6647.9%	0.1238
2066	8,988	648,139	7211.5%	0.1194
Total PV @ 3.7%	20,713,178	16,404,785	79.2%	



**Attachment 2a**  
**LifeSecure Insurance Company**  
**Without Rate Increase**  
**Total Policies**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	68,982	2,590	3.8%	1.4122
2008	244,732	12,345	5.0%	1.3618
2009	650,838	37,312	5.7%	1.3132
2010	1,232,429	34,878	2.8%	1.2664
2011	2,190,329	92,378	4.2%	1.2212
2012	4,201,913	375,052	8.9%	1.1776
2013	7,807,017	683,961	8.8%	1.1356
2014	14,263,575	834,375	5.8%	1.0951
2015	15,884,714	456,739	2.9%	1.0560
2016	15,171,293	379,891	2.5%	1.0183
2017	14,821,274	1,497,495	10.1%	0.9820
2018	14,419,931	1,796,483	12.5%	0.9470
2019	14,049,133	2,127,151	15.1%	0.9132
2020	13,670,894	2,494,262	18.2%	0.8806
2021	13,242,379	2,898,656	21.9%	0.8492
2022	12,694,686	3,332,682	26.3%	0.8189
2023	12,022,988	3,801,319	31.6%	0.7897
2024	10,837,504	4,287,654	39.6%	0.7615
2025	10,303,767	4,813,844	46.7%	0.7343
2026	9,898,918	5,386,904	54.4%	0.7081
2027	9,487,149	6,012,989	63.4%	0.6828
2028	9,066,623	6,706,740	74.0%	0.6585
2029	8,635,204	7,450,083	86.3%	0.6350
2030	8,194,979	8,231,907	100.5%	0.6123
2031	7,745,327	9,054,535	116.9%	0.5905
2032	7,286,715	9,901,297	135.9%	0.5694
2033	6,834,337	10,747,672	157.3%	0.5491
2034	6,382,269	11,600,412	181.8%	0.5295
2035	5,930,932	12,442,961	209.8%	0.5106
2036	5,482,917	13,238,524	241.5%	0.4924
2037	5,044,062	13,967,495	276.9%	0.4748
2038	4,615,153	14,617,181	316.7%	0.4579
2039	4,199,679	15,174,274	361.3%	0.4415
2040	3,800,795	15,606,139	410.6%	0.4258
2041	3,418,000	15,910,835	465.5%	0.4106
2042	3,051,867	16,049,397	525.9%	0.3960
2043	2,712,683	16,029,458	590.9%	0.3818
2044	2,399,783	15,864,207	661.1%	0.3682
2045	2,111,102	15,565,650	737.3%	0.3551
2046	1,847,225	15,131,619	819.2%	0.3424
2047	1,608,918	14,566,736	905.4%	0.3302
2048	1,394,770	13,894,908	996.2%	0.3184
2049	1,204,022	13,144,656	1091.7%	0.3070
2050	1,035,402	12,353,993	1193.2%	0.2961
2051	887,276	11,518,171	1298.2%	0.2855
2052	757,968	10,658,755	1406.2%	0.2753
2053	645,737	9,814,142	1519.8%	0.2655
2054	548,826	8,981,030	1636.4%	0.2560
2055	465,561	8,171,756	1755.3%	0.2469
2056	394,334	7,402,220	1877.1%	0.2381
2057	333,290	6,671,068	2001.6%	0.2296
2058	281,349	6,000,274	2132.7%	0.2214
2059	237,117	5,380,146	2269.0%	0.2135
2060	199,552	4,809,647	2410.2%	0.2059
2061	167,879	4,283,716	2551.7%	0.1985
2062	140,999	3,802,263	2696.7%	0.1915
2063	118,195	3,369,936	2851.2%	0.1846
2064	98,870	2,969,269	3003.2%	0.1780
2065	82,514	2,607,278	3159.8%	0.1717
2066	68,677	2,278,626	3317.9%	0.1656
2067	56,979	1,983,486	3481.1%	0.1597
2068	47,095	1,721,025	3654.4%	0.1540
2069	38,756	1,483,235	3827.1%	0.1485
2070	31,733	1,269,225	3999.7%	0.1432
2071	25,833	1,076,907	4168.8%	0.1381
2072	20,892	909,352	4352.6%	0.1331
2073	16,778	760,576	4533.3%	0.1284
2074	13,370	628,810	4703.1%	0.1238
2075	10,564	519,307	4915.8%	0.1194
2076	8,267	427,570	5172.1%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	67,178,451	3,227,707	4.8%
<b>Projected</b>	168,496,270	184,467,986	109.5%
<b>Lifetime</b>	235,674,720	187,695,694	79.6%

**Attachment 2b**  
**LifeSecure Insurance Company**  
**Without Rate Increase**  
**GPO Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	25,496	957	3.8%	1.4122
2008	159,232	8,657	5.4%	1.3618
2009	486,772	31,207	6.4%	1.3132
2010	934,391	24,637	2.6%	1.2664
2011	1,375,783	46,927	3.4%	1.2212
2012	2,129,694	296,385	13.9%	1.1776
2013	3,419,453	663,686	19.4%	1.1356
2014	5,458,797	474,415	8.7%	1.0951
2015	6,105,255	180,465	3.0%	1.0560
2016	5,740,833	433,977	7.6%	1.0183
2017	5,577,404	883,779	15.8%	0.9820
2018	5,410,747	1,039,405	19.2%	0.9470
2019	5,250,705	1,205,597	23.0%	0.9132
2020	5,093,789	1,382,378	27.1%	0.8806
2021	4,934,025	1,569,089	31.8%	0.8492
2022	4,769,588	1,763,747	37.0%	0.8189
2023	4,598,384	1,967,354	42.8%	0.7897
2024	4,421,481	2,172,224	49.1%	0.7615
2025	4,240,624	2,384,765	56.2%	0.7343
2026	4,056,158	2,605,870	64.2%	0.7081
2027	3,868,318	2,836,856	73.3%	0.6828
2028	3,677,406	3,081,285	83.8%	0.6585
2029	3,483,841	3,326,090	95.5%	0.6350
2030	3,288,161	3,569,246	108.5%	0.6123
2031	3,091,112	3,807,439	123.2%	0.5905
2032	2,893,640	4,031,532	139.3%	0.5694
2033	2,696,795	4,234,202	157.0%	0.5491
2034	2,501,708	4,416,421	176.5%	0.5295
2035	2,309,561	4,572,362	198.0%	0.5106
2036	2,121,614	4,693,719	221.2%	0.4924
2037	1,939,106	4,774,155	246.2%	0.4748
2038	1,763,135	4,812,848	273.0%	0.4579
2039	1,594,693	4,808,621	301.5%	0.4415
2040	1,434,736	4,762,379	331.9%	0.4258
2041	1,284,073	4,673,509	364.0%	0.4106
2042	1,143,330	4,540,541	397.1%	0.3960
2043	1,012,938	4,369,641	431.4%	0.3818
2044	893,095	4,166,049	466.5%	0.3682
2045	783,796	3,940,875	502.8%	0.3551
2046	684,848	3,692,628	539.2%	0.3424
2047	595,950	3,429,125	575.4%	0.3302
2048	516,653	3,156,576	611.0%	0.3184
2049	446,420	2,882,535	645.7%	0.3070
2050	384,625	2,614,751	679.8%	0.2961
2051	330,567	2,356,543	712.9%	0.2855
2052	283,532	2,110,907	744.5%	0.2753
2053	242,808	1,882,630	775.4%	0.2655
2054	207,693	1,671,762	804.9%	0.2560
2055	177,502	1,480,046	833.8%	0.2469
2056	151,614	1,308,321	862.9%	0.2381
2057	129,452	1,152,596	890.4%	0.2296
2058	110,490	1,015,479	919.1%	0.2214
2059	94,260	893,936	948.4%	0.2135
2060	80,358	786,351	978.6%	0.2059
2061	68,439	691,746	1010.7%	0.1985
2062	58,212	606,850	1042.5%	0.1915
2063	49,429	531,618	1075.5%	0.1846
2064	41,884	464,612	1109.3%	0.1780
2065	35,402	404,872	1143.7%	0.1717
2066	29,831	351,988	1179.9%	0.1656
2067	25,045	304,784	1216.9%	0.1597
2068	20,936	262,626	1254.4%	0.1540
2069	17,415	225,310	1293.8%	0.1485
2070	14,403	192,463	1336.2%	0.1432
2071	11,836	163,825	1384.1%	0.1381
2072	9,656	138,740	1436.8%	0.1331
2073	7,816	116,622	1492.1%	0.1284
2074	6,270	97,437	1554.1%	0.1238
2075	4,978	80,926	1625.6%	0.1194
2076	3,907	66,918	1712.8%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	28,417,692	2,397,369	8.4%
<b>Projected</b>	65,146,258	62,367,780	95.7%
<b>Lifetime</b>	93,563,950	64,765,149	69.2%

**Attachment 2c**  
**LifeSecure Insurance Company**  
**Without Rate Increase**  
**3% Compound Inflation Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	32,078	1,204	3.8%	1.4122
2008	57,395	2,264	3.9%	1.3618
2009	126,369	5,870	4.6%	1.3132
2010	246,216	8,496	3.5%	1.2664
2011	617,810	32,002	5.2%	1.2212
2012	1,607,240	62,653	3.9%	1.1776
2013	3,392,215	15,897	0.5%	1.1356
2014	6,885,604	283,407	4.1%	1.0951
2015	7,663,280	150,334	2.0%	1.0560
2016	7,395,218	75,433	1.0%	1.0183
2017	7,281,962	538,454	7.4%	0.9820
2018	7,095,698	663,277	9.3%	0.9470
2019	6,926,319	806,021	11.6%	0.9132
2020	6,747,298	970,509	14.4%	0.8806
2021	6,533,946	1,157,183	17.7%	0.8492
2022	6,233,066	1,362,106	21.9%	0.8189
2023	5,891,029	1,588,093	27.0%	0.7897
2024	5,264,570	1,827,285	34.7%	0.7615
2025	4,994,225	2,092,801	41.9%	0.7343
2026	4,805,165	2,388,052	49.7%	0.7081
2027	4,616,438	2,719,279	58.9%	0.6828
2028	4,420,477	3,092,788	70.0%	0.6585
2029	4,218,867	3,503,930	83.1%	0.6350
2030	4,009,737	3,944,071	98.4%	0.6123
2031	3,797,012	4,414,856	116.3%	0.5905
2032	3,574,553	4,910,393	137.4%	0.5694
2033	3,356,867	5,412,604	161.2%	0.5491
2034	3,139,831	5,926,960	188.8%	0.5295
2035	2,920,792	6,440,535	220.5%	0.5106
2036	2,702,124	6,928,356	256.4%	0.4924
2037	2,485,916	7,380,817	296.9%	0.4748
2038	2,272,376	7,784,179	342.6%	0.4579
2039	2,064,701	8,134,019	394.0%	0.4415
2040	1,864,893	8,403,528	450.6%	0.4258
2041	1,671,867	8,588,740	513.7%	0.4106
2042	1,489,220	8,662,371	581.7%	0.3960
2043	1,318,838	8,632,326	654.5%	0.3818
2044	1,161,310	8,513,048	733.1%	0.3682
2045	1,015,936	8,305,870	817.6%	0.3551
2046	883,275	8,017,983	907.8%	0.3424
2047	764,224	7,646,732	1000.6%	0.3302
2048	657,705	7,215,538	1097.1%	0.3184
2049	563,405	6,746,624	1197.5%	0.3070
2050	480,640	6,259,637	1302.4%	0.2961
2051	408,480	5,758,301	1409.7%	0.2855
2052	345,995	5,246,323	1516.3%	0.2753
2053	292,238	4,747,018	1624.4%	0.2655
2054	246,250	4,262,440	1730.9%	0.2560
2055	207,129	3,807,980	1838.5%	0.2469
2056	174,028	3,384,072	1944.6%	0.2381
2057	146,130	2,988,932	2045.4%	0.2296
2058	122,669	2,633,787	2147.1%	0.2214
2059	102,956	2,313,999	2247.6%	0.2135
2060	86,396	2,036,379	2357.0%	0.2059
2061	72,469	1,793,532	2474.9%	0.1985
2062	60,746	1,579,359	2599.9%	0.1915
2063	50,872	1,391,721	2735.8%	0.1846
2064	42,547	1,221,827	2871.7%	0.1780
2065	35,530	1,073,746	3022.1%	0.1717
2066	29,607	943,839	3187.9%	0.1656
2067	24,604	828,275	3366.4%	0.1597
2068	20,381	725,299	3558.7%	0.1540
2069	16,816	631,159	3753.2%	0.1485
2070	13,809	546,589	3958.2%	0.1432
2071	11,277	470,168	4169.4%	0.1381
2072	9,150	403,567	4410.4%	0.1331
2073	7,375	343,014	4650.7%	0.1284
2074	5,903	287,602	4872.2%	0.1238
2075	4,689	239,120	5099.8%	0.1194
2076	3,694	197,142	5336.3%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	30,264,190	700,092	2.3%
<b>Projected</b>	82,513,130	91,040,489	110.3%
<b>Lifetime</b>	112,777,320	91,740,581	81.3%

**Attachment 2d**  
**LifeSecure Insurance Company**  
**Without Rate Increase**  
**5% Compound Inflation Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	11,408	428	3.8%	1.4122
2008	28,106	1,424	5.1%	1.3618
2009	37,697	234	0.6%	1.3132
2010	51,823	1,745	3.4%	1.2664
2011	196,736	13,449	6.8%	1.2212
2012	464,979	16,013	3.4%	1.1776
2013	995,350	4,379	0.4%	1.1356
2014	1,919,174	76,553	4.0%	1.0951
2015	2,116,178	125,940	6.0%	1.0560
2016	2,035,242	-129,520	-6.4%	1.0183
2017	1,961,908	75,261	3.8%	0.9820
2018	1,913,486	93,801	4.9%	0.9470
2019	1,872,109	115,533	6.2%	0.9132
2020	1,829,807	141,375	7.7%	0.8806
2021	1,774,408	172,385	9.7%	0.8492
2022	1,692,033	206,830	12.2%	0.8189
2023	1,533,576	245,872	16.0%	0.7897
2024	1,151,454	288,145	25.0%	0.7615
2025	1,068,918	336,278	31.5%	0.7343
2026	1,037,595	392,982	37.9%	0.7081
2027	1,002,393	456,854	45.6%	0.6828
2028	968,740	532,667	55.0%	0.6585
2029	932,496	620,064	66.5%	0.6350
2030	897,081	718,591	80.1%	0.6123
2031	857,204	832,241	97.1%	0.5905
2032	818,522	959,373	117.2%	0.5694
2033	780,676	1,100,866	141.0%	0.5491
2034	740,730	1,257,031	169.7%	0.5295
2035	700,579	1,430,064	204.1%	0.5106
2036	659,179	1,616,449	245.2%	0.4924
2037	619,039	1,812,523	292.8%	0.4748
2038	579,642	2,020,154	348.5%	0.4579
2039	540,285	2,231,635	413.0%	0.4415
2040	501,166	2,440,232	486.9%	0.4258
2041	462,060	2,648,586	573.2%	0.4106
2042	419,317	2,846,486	678.8%	0.3960
2043	380,907	3,027,492	794.8%	0.3818
2044	345,378	3,185,110	922.2%	0.3682
2045	311,371	3,318,905	1065.9%	0.3551
2046	279,102	3,421,009	1225.7%	0.3424
2047	248,745	3,490,880	1403.4%	0.3302
2048	220,412	3,522,794	1598.3%	0.3184
2049	194,197	3,515,497	1810.3%	0.3070
2050	170,137	3,479,605	2045.2%	0.2961
2051	148,229	3,403,328	2296.0%	0.2855
2052	128,442	3,301,525	2570.4%	0.2753
2053	110,691	3,184,495	2876.9%	0.2655
2054	94,884	3,046,828	3211.1%	0.2560
2055	80,930	2,883,730	3563.3%	0.2469
2056	68,691	2,709,828	3945.0%	0.2381
2057	57,708	2,529,540	4383.3%	0.2296
2058	48,190	2,351,009	4878.6%	0.2214
2059	39,900	2,172,211	5444.1%	0.2135
2060	32,798	1,986,917	6058.0%	0.2059
2061	26,971	1,798,438	6668.1%	0.1985
2062	22,040	1,616,054	7332.3%	0.1915
2063	17,894	1,446,598	8084.1%	0.1846
2064	14,439	1,282,829	8884.5%	0.1780
2065	11,582	1,128,660	9744.5%	0.1717
2066	9,239	982,799	10637.4%	0.1656
2067	7,329	850,428	11603.8%	0.1597
2068	5,777	733,100	12689.7%	0.1540
2069	4,525	626,765	13850.7%	0.1485
2070	3,521	530,173	15057.5%	0.1432
2071	2,720	442,914	16284.4%	0.1381
2072	2,085	367,045	17601.2%	0.1331
2073	1,586	300,940	18972.3%	0.1284
2074	1,197	243,771	20357.6%	0.1238
2075	897	199,261	22215.6%	0.1194
2076	666	163,511	24569.3%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	8,496,569	130,246	1.5%
<b>Projected</b>	20,836,881	31,059,718	149.1%
<b>Lifetime</b>	29,333,450	31,189,964	106.3%

**Attachment 3a**  
**LifeSecure Insurance Company**  
**With Rate Increase**  
**Total Policies**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	68,982	2,590	3.8%	1.4122
2008	244,732	12,345	5.0%	1.3618
2009	650,838	37,312	5.7%	1.3132
2010	1,232,429	34,878	2.8%	1.2664
2011	2,190,329	92,378	4.2%	1.2212
2012	4,201,913	375,052	8.9%	1.1776
2013	7,807,017	683,961	8.8%	1.1356
2014	14,263,575	834,375	5.8%	1.0951
2015	15,884,714	456,739	2.9%	1.0560
2016	15,171,293	379,891	2.5%	1.0183
2017	14,821,274	1,497,495	10.1%	0.9820
2018	14,833,238	1,796,483	12.1%	0.9470
2019	18,885,828	2,127,151	11.3%	0.9132
2020	18,381,126	2,494,262	13.6%	0.8806
2021	17,805,297	2,898,656	16.3%	0.8492
2022	17,061,186	3,332,682	19.5%	0.8189
2023	16,134,598	3,801,319	23.6%	0.7897
2024	14,463,069	4,287,654	29.6%	0.7615
2025	13,740,814	4,813,844	35.0%	0.7343
2026	13,205,447	5,386,904	40.8%	0.7081
2027	12,660,429	6,012,989	47.5%	0.6828
2028	12,104,041	6,706,740	55.4%	0.6585
2029	11,532,604	7,450,083	64.6%	0.6350
2030	10,949,465	8,231,907	75.2%	0.6123
2031	10,352,799	9,054,535	87.5%	0.5905
2032	9,744,008	9,901,297	101.6%	0.5694
2033	9,143,869	10,747,672	117.5%	0.5491
2034	8,543,542	11,600,412	135.8%	0.5295
2035	7,943,730	12,442,961	156.6%	0.5106
2036	7,347,644	13,238,524	180.2%	0.4924
2037	6,763,561	13,967,495	206.5%	0.4748
2038	6,192,308	14,617,181	236.1%	0.4579
2039	5,638,441	15,174,274	269.1%	0.4415
2040	5,106,197	15,606,139	305.6%	0.4258
2041	4,594,722	15,910,835	346.3%	0.4106
2042	4,104,124	16,049,397	391.1%	0.3960
2043	3,649,828	16,029,458	439.2%	0.3818
2044	3,230,652	15,864,207	491.1%	0.3682
2045	2,843,523	15,565,650	547.4%	0.3551
2046	2,489,315	15,131,619	607.9%	0.3424
2047	2,169,164	14,566,736	671.5%	0.3302
2048	1,881,206	13,894,908	738.6%	0.3184
2049	1,624,495	13,144,656	809.2%	0.3070
2050	1,397,377	12,353,993	884.1%	0.2961
2051	1,197,702	11,518,171	961.7%	0.2855
2052	1,023,265	10,658,755	1041.6%	0.2753
2053	871,755	9,814,142	1125.8%	0.2655
2054	740,844	8,981,030	1212.3%	0.2560
2055	628,308	8,171,756	1300.6%	0.2469
2056	532,004	7,402,220	1391.4%	0.2381
2057	449,386	6,671,068	1484.5%	0.2296
2058	379,078	6,000,274	1582.9%	0.2214
2059	319,186	5,380,146	1685.6%	0.2135
2060	268,332	4,809,647	1792.4%	0.2059
2061	225,510	4,283,716	1899.6%	0.1985
2062	189,189	3,802,263	2009.8%	0.1915
2063	158,399	3,369,936	2127.5%	0.1846
2064	132,331	2,969,269	2243.8%	0.1780
2065	110,294	2,607,278	2363.9%	0.1717
2066	91,677	2,278,626	2485.5%	0.1656
2067	75,960	1,983,486	2611.2%	0.1597
2068	62,701	1,721,025	2744.8%	0.1540
2069	51,534	1,483,235	2878.2%	0.1485
2070	42,143	1,269,225	3011.7%	0.1432
2071	34,266	1,076,907	3142.8%	0.1381
2072	27,681	909,352	3285.1%	0.1331
2073	22,206	760,576	3425.2%	0.1284
2074	17,679	628,810	3556.9%	0.1238
2075	13,956	519,307	3720.9%	0.1194
2076	10,914	427,570	3917.7%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	67,178,451	3,227,707	4.8%
<b>Projected</b>	216,594,713	184,467,986	85.2%
<b>Lifetime</b>	283,773,164	187,695,694	66.1%

**Attachment 3b**  
**LifeSecure Insurance Company**  
**With 22.4% Rate Increase**  
**GPO Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	25,496	957	3.8%	1.4122
2008	159,232	8,657	5.4%	1.3618
2009	486,772	31,207	6.4%	1.3132
2010	934,391	24,637	2.6%	1.2664
2011	1,375,783	46,927	3.4%	1.2212
2012	2,129,694	296,385	13.9%	1.1776
2013	3,419,453	663,686	19.4%	1.1356
2014	5,458,797	474,415	8.7%	1.0951
2015	6,105,255	180,465	3.0%	1.0560
2016	5,740,833	433,977	7.6%	1.0183
2017	5,577,404	883,779	15.8%	0.9820
2018	5,511,748	1,039,405	18.9%	0.9470
2019	6,426,862	1,205,597	18.8%	0.9132
2020	6,234,798	1,382,378	22.2%	0.8806
2021	6,039,247	1,569,089	26.0%	0.8492
2022	5,837,975	1,763,747	30.2%	0.8189
2023	5,628,421	1,967,354	35.0%	0.7897
2024	5,411,893	2,172,224	40.1%	0.7615
2025	5,190,524	2,384,765	45.9%	0.7343
2026	4,964,738	2,605,870	52.5%	0.7081
2027	4,734,821	2,836,856	59.9%	0.6828
2028	4,501,145	3,081,285	68.5%	0.6585
2029	4,264,221	3,326,090	78.0%	0.6350
2030	4,024,709	3,569,246	88.7%	0.6123
2031	3,783,521	3,807,439	100.6%	0.5905
2032	3,541,815	4,031,532	113.8%	0.5694
2033	3,300,876	4,234,202	128.3%	0.5491
2034	3,062,091	4,416,421	144.2%	0.5295
2035	2,826,903	4,572,362	161.7%	0.5106
2036	2,596,856	4,693,719	180.7%	0.4924
2037	2,373,466	4,774,155	201.1%	0.4748
2038	2,158,077	4,812,848	223.0%	0.4579
2039	1,951,905	4,808,621	246.4%	0.4415
2040	1,756,117	4,762,379	271.2%	0.4258
2041	1,571,706	4,673,509	297.4%	0.4106
2042	1,399,436	4,540,541	324.5%	0.3960
2043	1,239,836	4,369,641	352.4%	0.3818
2044	1,093,149	4,166,049	381.1%	0.3682
2045	959,366	3,940,875	410.8%	0.3551
2046	838,254	3,692,628	440.5%	0.3424
2047	729,442	3,429,125	470.1%	0.3302
2048	632,383	3,156,576	499.2%	0.3184
2049	546,418	2,882,535	527.5%	0.3070
2050	470,781	2,614,751	555.4%	0.2961
2051	404,614	2,356,543	582.4%	0.2855
2052	347,043	2,110,907	608.3%	0.2753
2053	297,197	1,882,630	633.5%	0.2655
2054	254,216	1,671,762	657.6%	0.2560
2055	217,262	1,480,046	681.2%	0.2469
2056	185,576	1,308,321	705.0%	0.2381
2057	158,449	1,152,596	727.4%	0.2296
2058	135,240	1,015,479	750.9%	0.2214
2059	115,374	893,936	774.8%	0.2135
2060	98,358	786,351	799.5%	0.2059
2061	83,770	691,746	825.8%	0.1985
2062	71,252	606,850	851.7%	0.1915
2063	60,501	531,618	878.7%	0.1846
2064	51,266	464,612	906.3%	0.1780
2065	43,331	404,872	934.4%	0.1717
2066	36,514	351,988	964.0%	0.1656
2067	30,656	304,784	994.2%	0.1597
2068	25,626	262,626	1024.8%	0.1540
2069	21,316	225,310	1057.0%	0.1485
2070	17,630	192,463	1091.7%	0.1432
2071	14,488	163,825	1130.8%	0.1381
2072	11,819	138,740	1173.8%	0.1331
2073	9,567	116,622	1219.0%	0.1284
2074	7,674	97,437	1269.7%	0.1238
2075	6,093	80,926	1328.1%	0.1194
2076	4,782	66,918	1399.3%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	28,417,692	2,397,369	8.4%
<b>Projected</b>	77,460,093	62,367,780	80.5%
<b>Lifetime</b>	105,877,785	64,765,149	61.2%

**Attachment 3c**  
**LifeSecure Insurance Company**  
**With 38.2% Rate Increase**  
**3% Compound Inflation Policies Only**

	Earned	Incurred		Discount Rate
	Premium	Claims	Loss Ratio	at 3.7%
2007	32,078	1,204	3.8%	1.4122
2008	57,395	2,264	3.9%	1.3618
2009	126,369	5,870	4.6%	1.3132
2010	246,216	8,496	3.5%	1.2664
2011	617,810	32,002	5.2%	1.2212
2012	1,607,240	62,653	3.9%	1.1776
2013	3,392,215	15,897	0.5%	1.1356
2014	6,885,604	283,407	4.1%	1.0951
2015	7,663,280	150,334	2.0%	1.0560
2016	7,395,218	75,433	1.0%	1.0183
2017	7,281,962	538,454	7.4%	0.9820
2018	7,321,578	663,277	9.1%	0.9470
2019	9,572,173	806,021	8.4%	0.9132
2020	9,324,766	970,509	10.4%	0.8806
2021	9,029,913	1,157,183	12.8%	0.8492
2022	8,614,097	1,362,106	15.8%	0.8189
2023	8,141,401	1,588,093	19.5%	0.7897
2024	7,275,635	1,827,285	25.1%	0.7615
2025	6,902,019	2,092,801	30.3%	0.7343
2026	6,640,738	2,388,052	36.0%	0.7081
2027	6,379,917	2,719,279	42.6%	0.6828
2028	6,109,099	3,092,788	50.6%	0.6585
2029	5,830,474	3,503,930	60.1%	0.6350
2030	5,541,457	3,944,071	71.2%	0.6123
2031	5,247,470	4,414,856	84.1%	0.5905
2032	4,940,032	4,910,393	99.4%	0.5694
2033	4,639,190	5,412,604	116.7%	0.5491
2034	4,339,246	5,926,960	136.6%	0.5295
2035	4,036,535	6,440,535	159.6%	0.5106
2036	3,734,335	6,928,356	185.5%	0.4924
2037	3,435,536	7,380,817	214.8%	0.4748
2038	3,140,423	7,784,179	247.9%	0.4579
2039	2,853,417	8,134,019	285.1%	0.4415
2040	2,577,282	8,403,528	326.1%	0.4258
2041	2,310,520	8,588,740	371.7%	0.4106
2042	2,058,101	8,662,371	420.9%	0.3960
2043	1,822,634	8,632,326	473.6%	0.3818
2044	1,604,931	8,513,048	530.4%	0.3682
2045	1,404,023	8,305,870	591.6%	0.3551
2046	1,220,686	8,017,983	656.8%	0.3424
2047	1,056,157	7,646,732	724.0%	0.3302
2048	908,949	7,215,538	793.8%	0.3184
2049	778,626	6,746,624	866.5%	0.3070
2050	664,245	6,259,637	942.4%	0.2961
2051	564,519	5,758,301	1020.0%	0.2855
2052	478,165	5,246,323	1097.2%	0.2753
2053	403,873	4,747,018	1175.4%	0.2655
2054	340,317	4,262,440	1252.5%	0.2560
2055	286,253	3,807,980	1330.3%	0.2469
2056	240,507	3,384,072	1407.1%	0.2381
2057	201,951	2,988,932	1480.0%	0.2296
2058	169,529	2,633,787	1553.6%	0.2214
2059	142,286	2,313,999	1626.3%	0.2135
2060	119,399	2,036,379	1705.5%	0.2059
2061	100,152	1,793,532	1790.8%	0.1985
2062	83,951	1,579,359	1881.3%	0.1915
2063	70,305	1,391,721	1979.6%	0.1846
2064	58,801	1,221,827	2077.9%	0.1780
2065	49,103	1,073,746	2186.7%	0.1717
2066	40,917	943,839	2306.7%	0.1656
2067	34,003	828,275	2435.9%	0.1597
2068	28,167	725,299	2575.0%	0.1540
2069	23,240	631,159	2715.8%	0.1485
2070	19,084	546,589	2864.1%	0.1432
2071	15,584	470,168	3016.9%	0.1381
2072	12,646	403,567	3191.3%	0.1331
2073	10,193	343,014	3365.2%	0.1284
2074	8,158	287,602	3525.5%	0.1238
2075	6,480	239,120	3690.2%	0.1194
2076	5,106	197,142	3861.3%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	30,264,190	700,092	2.3%
<b>Projected</b>	108,948,621	91,040,489	83.6%
<b>Lifetime</b>	139,212,811	91,740,581	65.9%

**Attachment 3d**  
**LifeSecure Insurance Company**  
**With 54.2% Rate Increase**  
**5% Compound Inflation Policies Only**

	Earned Premium	Incurred Claims	Loss Ratio	Discount Rate at 3.7%
2007	11,408	428	3.8%	1.4122
2008	28,106	1,424	5.1%	1.3618
2009	37,697	234	0.6%	1.3132
2010	51,823	1,745	3.4%	1.2664
2011	196,736	13,449	6.8%	1.2212
2012	464,979	16,013	3.4%	1.1776
2013	995,350	4,379	0.4%	1.1356
2014	1,919,174	76,553	4.0%	1.0951
2015	2,116,178	125,940	6.0%	1.0560
2016	2,035,242	-129,520	-6.4%	1.0183
2017	1,961,908	75,261	3.8%	0.9820
2018	1,999,912	93,801	4.7%	0.9470
2019	2,886,792	115,533	4.0%	0.9132
2020	2,821,563	141,375	5.0%	0.8806
2021	2,736,137	172,385	6.3%	0.8492
2022	2,609,114	206,830	7.9%	0.8189
2023	2,364,775	245,872	10.4%	0.7897
2024	1,775,541	288,145	16.2%	0.7615
2025	1,648,271	336,278	20.4%	0.7343
2026	1,599,971	392,982	24.6%	0.7081
2027	1,545,690	456,854	29.6%	0.6828
2028	1,493,797	532,667	35.7%	0.6585
2029	1,437,909	620,064	43.1%	0.6350
2030	1,383,299	718,591	51.9%	0.6123
2031	1,321,809	832,241	63.0%	0.5905
2032	1,262,161	959,373	76.0%	0.5694
2033	1,203,802	1,100,866	91.4%	0.5491
2034	1,142,206	1,257,031	110.1%	0.5295
2035	1,080,293	1,430,064	132.4%	0.5106
2036	1,016,454	1,616,449	159.0%	0.4924
2037	954,558	1,812,523	189.9%	0.4748
2038	893,808	2,020,154	226.0%	0.4579
2039	833,120	2,231,635	267.9%	0.4415
2040	772,798	2,440,232	315.8%	0.4258
2041	712,496	2,648,586	371.7%	0.4106
2042	646,587	2,846,486	440.2%	0.3960
2043	587,359	3,027,492	515.4%	0.3818
2044	532,573	3,185,110	598.1%	0.3682
2045	480,134	3,318,905	691.2%	0.3551
2046	430,375	3,421,009	794.9%	0.3424
2047	383,564	3,490,880	910.1%	0.3302
2048	339,875	3,522,794	1036.5%	0.3184
2049	299,451	3,515,497	1174.0%	0.3070
2050	262,351	3,479,605	1326.3%	0.2961
2051	228,569	3,403,328	1489.0%	0.2855
2052	198,057	3,301,525	1667.0%	0.2753
2053	170,685	3,184,495	1865.7%	0.2655
2054	146,311	3,046,828	2082.4%	0.2560
2055	124,794	2,883,730	2310.8%	0.2469
2056	105,921	2,709,828	2558.3%	0.2381
2057	88,986	2,529,540	2842.6%	0.2296
2058	74,309	2,351,009	3163.8%	0.2214
2059	61,526	2,172,211	3530.5%	0.2135
2060	50,575	1,986,917	3928.7%	0.2059
2061	41,589	1,798,438	4324.3%	0.1985
2062	33,986	1,616,054	4755.1%	0.1915
2063	27,593	1,446,598	5242.6%	0.1846
2064	22,265	1,282,829	5761.7%	0.1780
2065	17,860	1,128,660	6319.4%	0.1717
2066	14,247	982,799	6898.5%	0.1656
2067	11,301	850,428	7525.2%	0.1597
2068	8,908	733,100	8229.4%	0.1540
2069	6,978	626,765	8982.3%	0.1485
2070	5,429	530,173	9764.9%	0.1432
2071	4,194	442,914	10560.5%	0.1381
2072	3,216	367,045	11414.5%	0.1331
2073	2,446	300,940	12303.7%	0.1284
2074	1,846	243,771	13202.1%	0.1238
2075	1,383	199,261	14407.0%	0.1194
2076	1,026	163,511	15933.4%	0.1151

**Accumulated and Present Values as of 12/31/2016:**

<b>Historical</b>	8,496,569	130,246	1.5%
<b>Projected</b>	30,185,999	31,059,718	102.9%
<b>Lifetime</b>	38,682,568	31,189,964	80.6%



**Attachment 4a**  
**Total Policies**  
**59.9/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	67,178,451
(2)	Accumulated Past Premiums on an Original Basis	67,178,451
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	216,594,713
(5)	PV Future Premiums on an Original Basis	168,496,270
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	48,098,444
(7)	Accumulated Past Incurred Claims	3,227,707
(8)	PV Future Incurred Claims	184,467,986
(9)	Total Incurred Claims (7) + (8)	187,695,694
(10)	$0.599*[(2)+(5)]+0.85*[(3)+(6)]$	182,052,835
(11)	Test: Is (9)>(10)?	TRUE

**Attachment 4b**  
**Policies with the Option for GPO and No Inflation**  
**58/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	28,417,692
(2)	Accumulated Past Premiums on an Original Basis	28,417,692
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	77,460,093
(5)	PV Future Premiums on an Original Basis	65,146,258
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	12,313,835
(7)	Accumulated Past Incurred Claims	2,397,369
(8)	PV Future Incurred Claims	62,367,780
(9)	Total Incurred Claims (7) + (8)	64,765,149
(10)	$0.58 * [(2) + (5)] + 0.85 * [(3) + (6)]$	64,733,851
(11)	Test: Is (9) > (10)?	TRUE

**Attachment 4c**  
**Policies with 3% Compound Inflation**  
**61.4/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	30,264,190
(2)	Accumulated Past Premiums on an Original Basis	30,264,190
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	108,948,621
(5)	PV Future Premiums on an Original Basis	82,513,130
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	26,435,491
(7)	Accumulated Past Incurred Claims	700,092
(8)	PV Future Incurred Claims	91,040,489
(9)	Total Incurred Claims (7) + (8)	91,740,581
(10)	$0.614 * [(2) + (5)] + 0.85 * [(3) + (6)]$	91,715,442
(11)	Test: Is (9) > (10)?	TRUE

**Attachment 4d**  
**Policies with 5% Compound Inflation**  
**79.2/85 Test**

(1)	Accumulated Total Past Premiums (Including Rate Increases)	8,496,569
(2)	Accumulated Past Premiums on an Original Basis	8,496,569
(3)	Accumulated Past Premiums Attributable to Rate Increases (1) minus (2)	0
(4)	PV Total Future Premiums (Including Rate Increases)	30,185,999
(5)	PV Future Premiums on an Original Basis	20,836,881
(6)	PV Future Premiums Attributable to Rate Increases (4) minus (5)	9,349,118
(7)	Accumulated Past Incurred Claims	130,246
(8)	PV Future Incurred Claims	31,059,718
(9)	Total Incurred Claims (7) + (8)	31,189,964
(10)	$0.792 * [(2) + (5)] + 0.85 * [(3) + (6)]$	31,178,843
(11)	Test: Is (9) > (10)?	TRUE

**VA Statement of Variability**  
**Individual Long Term Care Insurance**  
**Schedule of Benefits LS-0051 ST 05/07**

- The data fields for Policyholder, Policy Number, Policy Effective Date and Age At Issue are populated with sample data. Real applicant data will appear at issue.
- The Coverage Change Effective Date entry and its data field will appear only if there has been a coverage change at a future date from the Policy Effective Date.
- The data field for the Benefit Bank amount will be populated with the selected amount.
- The data field for the Monthly Benefit Access Limit will be populated with the selected percentage of Benefit Bank and the resulting dollar amount.
- The Money-Back Promise Benefit will appear in the Optional Benefits Elected with "Included" in the data field, only if elected.
- Guaranteed Future Purchase Offers will appear with "Included" in its data field, only if it applies to the individual's coverage. (It will apply as standard, *unless* the individual elected one of the two optional automatic inflation protection benefits.) If it does not apply, neither the benefit nor the data field will appear.
- Contingent Non-Forfeiture Benefit will appear with "Included" in its data field, only if it applies to the individual's coverage. (It will apply as standard, *unless* the individual elected the optional Lapse Protection Benefit.) If it does not apply, neither the benefit nor the data field will appear.
- The data field for the Benefit Wait Period will be populated with the appropriate number of days.
- Automatic 3% Compound Inflation Protection Benefit will appear, and "Included" will appear in its data field, only if it applies to the individual's coverage. If it does not apply, neither the benefit nor the data field will appear.
- Automatic 5% Compound Inflation Protection Benefit will appear, and "Included" will appear in its data field, only if it applies to the individual's coverage. If it does not apply, neither the benefit nor the data field will appear.
- Lapse Protection Benefit will appear, and "Included" will appear in its data field, only if it applies to the individual's coverage. If it does not apply, neither the benefit nor the data field will appear.
- The applicable Premium Rate Classification will appear at issue in the data field.
- The applicable Premium Payment Mode will appear in that term's data field.
- The applicable Premium Payment Time Period will appear in that term's data field.

- The applicable Base Policy Coverage Modal Premium will appear in the term's data field.
- The modal premium amount for the Policyholder will appear in the data field for the Money-Back Promise Benefit (if optional), Automatic 3% Compound Inflation Protection Modal Premium, Automatic 5% Compound Inflation Protection Modal Premium, Lapse Protection Benefit Modal Premium. The entries and data fields will appear only if they apply to the individual's coverage.
- The premium discount amount will appear in the data field for the Married Discount, Dual Spouse Coverage Discount and Endorsed Group Discount only if applicable to the individual's coverage.
- The asterisk next to the Premium Amount entry and the corresponding note below will appear only if the premium amount includes a premium contribution from a group sponsor.
- The actual dollar total for the Premium Amount and the applicable premium payment mode will appear at time of issue.
- The data field section of the Schedule of Benefits Print Date is illustrative and will be populated with a real date at issue.

LifeSecure Insurance Company  
10559 Citation Drive, Suite 300  
Brighton, Michigan 48116  
1-888-575-8246

## LONG TERM CARE INSURANCE POLICY

**Welcome!** We thank you for choosing LifeSecure Insurance Company to be your long term care insurance carrier. We encourage you to contact us anytime – not just at time of claim – with any questions, concerns or comments you might have. Your long term care insurance policy has many important features. Please read it carefully. We look forward to serving you today and in the future.

**NOTICE TO BUYER.** This Policy may not cover all of the costs associated with long term care incurred by You during the period of coverage. We advise You to carefully review all Policy limitations.

**THIS POLICY IS NOT A MEDICARE SUPPLEMENT POLICY.** It is not intended to replace your present health insurance. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from Us.

**THIS IS A TAX-QUALIFIED CONTRACT.** This Policy is a federally tax-qualified long term care insurance contract under Section 7702B(b) of the Internal Revenue Code of 1986 and as amended by the Health Insurance Portability and Accountability Act of 1996 - Public Law 104-191.

**GUARANTEED RENEWABLE FOR LIFE.** This Policy is guaranteed for life. You have the right, subject to the terms of this Policy, to continue this coverage as long as You pay the required premiums on time. We cannot change any of the terms of Your coverage or benefits without Your consent.

**PREMIUM CHANGES.** You cannot be singled out for a rate increase due to a change in Your age or health status. We can, however, change premiums, but only if We change the premiums for all similar policies issued in the same state and on the same form as Your Policy. Any premium changes will be effective on the next Premium Due Date following Our notice to You. We must give You at least 60 days written notice before the effective date of a premium change. If we ever increase Your premium, You will have the option to reduce coverage in order to preserve the premium amount You had previously been paying.

**30-DAY FREE LOOK.** If for any reason You decide not to keep this Policy, simply return it to Us within thirty (30) days after You receive it. We will treat the Policy as though it had never been issued. We will refund the full amount of any premium paid.

**CAUTION:** The issuance of this long term care insurance Policy is based upon the responses to questions on Your Application. A copy of Your Application is enclosed. If Your answers are incorrect or untrue, We have the right to deny benefits or rescind the Policy. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of Your answers are incorrect, contact Us at the address shown above.

Secretary



President



## TABLE OF CONTENTS

### Schedule of Benefits

Enclosed

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### A copy of Your Application for this Policy

Enclosed

### Any appropriate Riders, Endorsements or Notices

Enclosed

Refer to the Schedule of Benefits to determine Your benefits, options and applicable coverage details.

**Note:** This Policy contains terms that have a special meaning when applied to Your coverage. To help You recognize these terms, the first letter of each word is capitalized wherever it appears throughout the Policy. These terms either: 1) appear in the Glossary (Section 6) with a corresponding definition; and/or 2) appear in a heading or sub-heading within the Policy with accompanying text providing further explanation.



## SECTION 1: DESCRIPTION OF BENEFITS AND FEATURES

### Benefit Bank

Your Schedule of Benefits shows the Benefit Bank amount You have elected. Your Benefit Bank represents the lifetime dollar benefit amount available to You under this Policy. Your Benefit Bank balance is reduced by all benefit amounts paid to You whether based on reimbursement for Covered Expenses for Qualified Long Term Care Services or payments related to the Flexible Benefit.

### Monthly Benefit Access Limit

Your Schedule of Benefits shows the Monthly Benefit Access Limit You have elected. Your Monthly Benefit Access Limit represents the dollar benefit amount available to You on a monthly basis during a claim period. The original dollar amount, as shown on Your Schedule of Benefits, is calculated as a percentage of Your Benefit Bank. The Monthly Benefit Access Limit is 30 times your daily benefit amount (for purposes of this, the daily benefit amount is defined as the Monthly Benefit Amount divided by 30 days).

**Note:** *The percentage of Benefit Bank calculation is used only to determine the dollar amount of Your Monthly Benefit Access Limit at the Policy Effective Date. Thereafter, the percentage calculation no longer applies so that Your Monthly Benefit Access Limit (dollar amount) will not shrink as Your Benefit Bank balance decreases during time of claim.*

If You are eligible for benefits for fewer than 31 days in any one calendar month period, we will calculate the Monthly Benefit Access Limit based on a pro rata amount reflecting the actual number of days You were eligible.

### Benefit Payout Structure

Covered Expenses

Qualified Long Term Care Services

Flexible Benefit

When You are eligible for benefits, as described in Section 2 of this Policy, We will reimburse You for Covered Expenses for Qualified Long Term Care Services, up to Your Monthly Benefit Access Limit each calendar month. 100% of your Monthly Benefit Access Limit is available for such services received in a Nursing Home, Assisted Living Facility, Adult Day Care Center, Hospice Care facility, or through a Home Care Agency, or by an Independent Provider or at-home Hospice Care provider. If You are eligible for benefits and You have not incurred Covered Expenses for Qualified Long Term Care Services up to the full Monthly Benefit Access Limit for a given calendar month, 50% of Your unused Monthly Benefit Access Limit will be available to You as a Flexible Benefit.

The Flexible Benefit is not restricted by the definition of Covered Expenses. It is designed to provide You greater flexibility in the types of care or services You receive under this Policy, such as: Home Care Services, care provided by an informal caregiver or family member, installation of a wheelchair access ramp to Your home, or rental of durable medical equipment for Your home.

All benefits, both Covered Expenses and Flexible Benefits, payable to You under this Policy must be pursuant to a written Plan of Care.

**Note:** *The definitions of the terms Covered Expenses, Qualified Long Term Care Services and Flexible Benefit are especially important for You to understand. Together, these definitions clarify the differences between Your reimbursable expenses and Your Flexible Benefit allowances. You will find the definitions of each of these terms in the Glossary (Section 6 of this Policy).*

**LifeSecure  
Care Advisor  
Services**

LifeSecure Care Advisor Services are provided through Our LifeSecure Care Advisors. You may use the LifeSecure Care Advisor Services anytime while Your Policy is in force. The services are provided at no cost to You.

A LifeSecure Care Advisor is available to:

- assist in identifying Your specific personal care needs and the long term care services in Your area which may appropriately meet those needs;
- assist in developing a Plan of Care that meets Your needs; and
- help You arrange for care or services.

**Guaranteed Future  
Purchase Offers**

**Note:** *This feature is included in Your coverage as a standard feature unless You have elected one of the optional inflation protection benefits: Automatic 3% Compound Inflation Protection Benefit or Automatic 5% Compound Inflation Protection Benefit, described later in this Section.*

Under the Guaranteed Future Purchase Offers, You will be offered the opportunity to increase Your Monthly Benefit Access Limit and Benefit Bank every three years, subject to the conditions listed below.

Each offer to increase will be for 15% of the dollar amount of Your current Monthly Benefit Access Limit and the remaining dollar amount of Your Benefit Bank. This offer will be made beginning on the third anniversary of Your Policy Effective Date and every three years thereafter. You may elect to increase Your coverage by the amount offered under this feature without submitting evidence of insurability. All increased amounts will be rounded to the nearest whole dollar.

The premium for the additional amount of coverage will be based on Your attained age, Your original rate class and Our premium rate schedule as of the date the benefit increase offer is made to You.

We will notify You in writing or electronically of the offer at least 60 days prior to the anniversary of the Policy Effective Date. You may accept or decline the offer within 60 days after We send the notification. If We do not receive Your acceptance of Our offer within 60 days, We will deem this to be a declination of the offer. You may accept or decline ongoing offers to increase coverage each time an offer is made.

No further offers will be made if Your Policy is terminated, or if coverage is continuing in effect under:

- the Extension of Benefits;
- the Lapse Protection Benefit, if any; or
- the Contingent Non-Forfeiture Benefit, if any.

**Guaranteed Future  
Purchase Offers**  
(continued)

No further offers will be made:

- once You have attained age 80;
- during the Benefit Wait Period; or
- if You meet the Eligibility Requirements for benefits, as described in Section 2 of this Policy.

If You recover so that You no longer meet the Eligibility Requirements for benefits, You will again be eligible for Guaranteed Future Purchase Offers when they occur, subject to the above restrictions.

**Contingent  
Non-Forfeiture  
Benefit**

**Note:** *This benefit is automatically included in Your coverage as a standard benefit unless You have elected the optional Lapse Protection Benefit, described later in this Section.*

This Contingent Non-Forfeiture Benefit will apply to You if, and only if, there is a substantial increase in the premium rates for Your coverage, as described here.

If there is an increase in premium rates so that the cumulative amount of all premium rate increases is considered to be a substantial increase in premium rates, as determined by the schedule below, We will do the following:

We will offer to reduce Your current level of coverage without evidence of insurability so that the required premium for Your coverage is not increased.

We will offer to convert Your coverage to coverage of a paid-up status with a shortened benefit period based on a lesser Benefit Bank. Under this conversion option, the amount of Your revised Benefit Bank will be equal to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. The revised Benefit Bank is reduced by the sum of all benefits previously paid to You. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of Your revised Benefit Bank. This conversion option may be elected at any time during the 120-day period following the effective date of the premium increase.

We will notify You that a premium lapse at any time during the 120-day period following the effective date of the premium increase will be deemed to be the election of the preceding offer to convert Your coverage to a paid-up status. A premium lapse is Your failure to pay the required premiums within the 31-day Grace Period.

If You convert Your coverage to the paid-up status in accordance with the provisions above, We will continue to provide coverage, subject to all of the terms and conditions of the Policy in effect at the time of conversion.

**Contingent  
Non-Forfeiture  
Benefit**  
(continued)

Your coverage under this Contingent Non-Forfeiture Benefit ends when Your Benefit Bank has been exhausted.

The following table determines what constitutes a substantial premium increase.

**Triggers for a Substantial Premium Increase**

Cumulative premium increase over original premium that will allow the Contingent Non-Forfeiture to be triggered. (Percentage increase is cumulative from the Policy Effective Date. It does NOT represent a one time increase.)

Issue Age	Percentage of Increase Over Initial Annual Premium	Issue Age	Percentage of Increase Over Initial Annual Premium
29 and under	200%	72	36%
30 – 34	190%	73	34%
35 – 39	170%	74	32%
40 – 44	150%	75	30%
45 – 49	130%	76	28%
50 – 54	110%	77	26%
55 – 59	90%	78	24%
60	70%	79	22%
61	66%	80	20%
62	62%	81	19%
63	58%	82	18%
64	54%	83	17%
65	50%	84	16%
66	48%	85	15%
67	46%	86	14%
68	44%	87	13%
69	42%	88	12%
70	40%	89	11%
71	38%	90 and older	10%

**Special Guidelines  
for Limited-Pay  
Premium Modes**

If We increase the annual premium equal to or exceeding the percentage of Your initial annual premium as indicated in the chart below based on Your Issue Age and Your premium is not paid, the Policy will lapse within 120 days of the due date of the increased premium. You will be notified at least 60 days prior to the due date of the premium reflecting the rate increase.

**Triggers for a Substantial Premium Increase  
(for Limited-Pay Premium Modes)**

<b>Issue Age</b>	<b>% Increase over Initial Premium</b>
Under Age 65	50%
65-80	30%
Over 80	10%

On or before the effective date of the premium increase We will offer to:

1. Reduce the benefits provided by the current coverage without the requirement of additional underwriting so the premium payments are not increased;
2. Convert the coverage to paid-up status where the amount payable for each benefit is 90% of the amount payable in effect immediately prior to lapse times the ratio of number of completed months of paid premiums divided by the number of months in the premium paying period. This option may be elected at any time during the 120-day period.

We will notify You that a default or lapse at any time during the 120-day period shall be deemed to be the election of the offer to convert if the ratio is 40% or more.

## OPTIONAL BENEFITS

*You must refer to Your Schedule of Benefits to see which of these optional benefits, if any, are included in Your coverage.*

### Money-Back Promise Option

Your Schedule of Benefits shows whether or not You have elected this optional Policy benefit.

This benefit provides for reimbursement of a portion of Your premiums paid, less any benefits paid, to a Beneficiary upon Your death. If We receive a certified death certificate as proof of Your death while Your Policy was in force for five or more years, We will refund the amount shown in the table below:

Years Since Policy Effective Date	Percentage of Premium Reimbursable (less any benefits paid)
Less than 5	0%
5 – 9	25%
10 – 14	50%
15 or more	75%

This benefit will be paid in one lump sum to Your Beneficiary as shown on Your Application, unless later changed by You. If there is no named or living Beneficiary on the date of Your death, the benefits will be paid to Your estate.

The Money-Back Promise Option is not payable if Your coverage is not in force at the time of Your death or if Your coverage is continuing in effect under the Lapse Protection Benefit at the time of Your death.

**Important Notice Regarding Federal Income Tax Law** – Please note that the payment of the Money-Back Promise Option may have federal income tax implications for Your estate or Beneficiary. You are advised to review this benefit with a qualified tax professional or attorney to determine any such tax impact.

**Automatic 3%  
Compound  
Inflation Protection  
Benefit**

Your Schedule of Benefits shows whether or not You have elected this optional Policy benefit.

If You elected this option, We will increase Your Monthly Benefit Access Limit and the amount remaining in Your Benefit Bank. The dollar amount of Your current Monthly Benefit Access Limit will be increased each year by 3%. The remaining dollar amount of Your Benefit Bank will be increased each year by 3%. All increased amounts will be rounded to the nearest whole dollar.

The increase will be effective on each anniversary of the Policy Effective Date, even if You are receiving benefits. Your premium rate will not change as a result of these annual benefit increases. However, Your premium may change subject to the other terms of the Policy.

Annual compound inflation protection increases will terminate if Your coverage is continuing in effect under:

- the Extension of Benefits;
- the Lapse Protection Benefit, if any; or
- the Contingent Non-Forfeiture Benefit, if any.

**Automatic 5%  
Compound  
Inflation Protection  
Benefit**

Your Schedule of Benefits shows whether or not You have elected this optional Policy benefit.

If You elected this option, We will increase Your Monthly Benefit Access Limit and the amount remaining in Your Benefit Bank. The dollar amount of Your current Monthly Benefit Access Limit will be increased each year by 5%. The remaining dollar amount of Your Benefit Bank will be increased each year by 5%. All increased amounts will be rounded to the nearest whole dollar.

The increase will be effective on each anniversary of the Policy Effective Date, even if You are receiving benefits. Your premium rate will not change as a result of these annual benefit increases. However, Your premium may change subject to the other terms of the Policy.

Annual compound inflation protection increases will terminate if Your coverage is continuing in effect under:

- the Extension of Benefits;
- the Lapse Protection Benefit, if any; or
- the Contingent Non-Forfeiture Benefit, if any.

## **Lapse Protection Benefit**

Your Schedule of Benefits shows whether or not You have elected this optional Policy benefit.

If Your coverage terminates due to non-payment of premiums on or after the third anniversary of this option and before Your Benefit Bank has been exhausted, the Lapse Protection Benefit will provide coverage of a paid-up status with a shortened benefit period based on a lesser Benefit Bank. The amount of Your revised Benefit Bank will be equal to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of lapse. The revised Benefit Bank is reduced by the sum of all benefits previously paid to You. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of lapse, restricted only by the amount of Your revised Benefit Bank.

We will continue to provide coverage, subject to all of the terms and conditions of the Policy in effect at the time of lapse. Your coverage under this option ends when the Benefit Bank has been exhausted.

**Note:** *If you lapse coverage before Your Policy has been in effect for three full years, this Lapse Protection Benefit cannot be triggered.*

## **Optional Premium Payment Modes**

You may elect any one of the following limited-pay options to pay the premiums for your Policy. (Note: Limited-pay options can only be elected with plan designs that include either the Automatic 3% Compound Inflation Protection Benefit or the Automatic 5% Compound Inflation Protection Benefit.)

**10-Year Premium Payment Option** – This option provides that your Policy premiums may be paid over a ten-year period, after which no additional premiums will be due. Prior to the end of your tenth policy year, we have the right to change your premiums in accordance with the terms described above. If you elect a future benefit increase, a separate 10-year premium payment period will be applied for the increased benefit portion only, beginning on the effective date of the benefit increase.

**To-Age-65 Premium Payment Option** (*allowed only for issue ages 55 and under*) – This option provides that Your Policy premiums may be paid as due until the anniversary of the Policy effective date following Your 65<sup>th</sup> birthday, after which no additional premiums will be due. Prior to the policy anniversary date following Your 65<sup>th</sup> birthday, we have the right to change your premiums in accordance with the terms described above. If You elect a future benefit increase, a separate 10-year premium payment period will be applied for the increased benefit portion only, beginning on the effective date of the benefit increase.



## SECTION 2: BENEFITS ELIGIBILITY AND CLAIMS PROCESS

### Eligibility Requirements

We will pay benefits described in this Policy when We verify that You meet all of the following conditions:

- You are Chronically Ill;
- You receive any service covered under the Policy and provided pursuant to a written Plan of Care;
- Coverage under this Policy is in force on the date(s) the care is received;
- You have satisfied the applicable Benefit Wait Period, as shown in Your Schedule of Benefits;
- You have not exhausted Your Benefit Bank or Your applicable Monthly Benefit Access Limit; and
- You meet the additional Policy requirements for the specific Policy benefits You claim.

### Your Role / Claim Requests (Notice of Claim)

We recommend You tell Us immediately, or as soon as reasonably possible, when You first become disabled or when You think You are eligible for benefits under this Policy. We urge You to notify Us even if You are unsure, and We can help You determine whether or not You are eligible for benefits. Except in the absence of legal capacity, Your initial notice of claim must be provided to Us no later than 12 months from the date you are deemed Chronically Ill.

To submit a claim request, You or Your Representative must notify Us or any authorized agent of Us. You can notify Us by using the mailing address, phone number or e-mail address as follows:

LifeSecure Administrative Office  
ATTN: LTC Claims Department  
3050 Universal Blvd., Suite 150  
Weston, FL 33331

1.888.575.8246

E-mail: [claims@YourLifeSecure.com](mailto:claims@YourLifeSecure.com)

### (Claim Forms)

We, on receipt of a Notice of Claim, will provide You the forms for filing Proof of Loss. If the forms are not provided within 15 days after the date of the notice, You shall be considered to have complied with the requirements by giving Us a written statement of the nature and extent of the loss within the time limit stated in the Proof of Loss Section.

**Claims Notification  
and Decision**  
(Physical  
Examination)

When a claim request is received, We will provide a claim form to You. In some cases, We may also arrange for an in-home Assessment.

We will collect the information We need to determine Your eligibility for benefits. We may need to contact Your Physician or other care provider(s). We may also need to review Your medical records or arrange for an Assessment which will be performed at no cost to You. We will review all such information to determine Your eligibility for benefits as defined in the Eligibility Requirements paragraph at the beginning of this Section.

We will notify You if We determine that You are eligible for benefits. We will also arrange for a Plan of Care to be developed by a LifeSecure Care Advisor or another Licensed Health Care Practitioner.

(Proof of Loss)

For periodic payments for a continuing loss, written Proof of Loss must be given to Us within 90 days after the end of each period We are liable. For claim requests related to Covered Expenses for Qualified Long Term Care Services, written or electronic proof of expense must be given to Us, or to any authorized agent of Us, within 90 days after which such Covered Expense is incurred. For any other loss, written proof must be given within 90 days after such loss. However, a claim request will still be considered if it was not possible for You to furnish proof within this time and the proof was furnished as soon as reasonably possible. Except in the absence of legal capacity, the proof required must be given not later than one year from the time specified.

**Note:** *Future Assessments may also be required at reasonable intervals to determine Your continued eligibility for benefits. Such Assessments will be at no cost to You.*

We will notify You within ten business days of receiving all the required information if Your claim request is denied. If You want to receive information related to the denial, We will provide a written explanation of the reasons and make available all information directly related to the denial within 30 days of receipt of Your written or electronic request, unless such disclosure is prohibited under state or federal law.

**Benefits Availability  
and Payments**  
(Time Payment of  
Claims)

Once You have met the Benefit Wait Period, benefit payments will be made on a monthly basis following receipt of Your claim requests, or receipt of invoices submitted by You or submitted from providers to whom You have assigned benefits. Your claim requests may relate to Covered Expenses for Qualified Long Term Care Services, or to Flexible Benefits, or to a combination of both. All benefits payable by this Policy are pursuant to the written Plan of Care prepared for You.

Covered Expenses for Qualified Long Term Care Services are always applied against the Monthly Benefit Access Limit for the month when such expenses are incurred – not when the claim is actually paid by Us.

**Benefits Availability  
and Payments**  
(continued)

The Flexible Benefit, if any, will be calculated on the final day of each calendar month. The Flexible Benefit amount is a function of the actual, expected or known Covered Expenses incurred during a calendar month – specifically, 50% of the difference between the Monthly Benefit Access Limit and the dollar amount of Covered Expenses incurred. The Flexible Benefit amount, as calculated at the end of the current calendar month, will be available to You until the last day of the following calendar month. As such, the available Flexible Benefit amount is always calculated one month in arrears.

**Note:** *If You do not incur any Covered Expenses during a given month, the available Flexible Benefit amount will equal the full 50% of Your Monthly Benefit Access Limit.*

**Note:** *In some situations, the exact amount of an invoice for a Covered Expense submitted to Us in a future month (from the actual date of service) may not precisely match what was expected when We calculated Your Flexible Benefit for a given month. In these situations, the Flexible Benefit amount applicable to that period will be re-calculated. If the Flexible Benefit had not yet been paid to You, the applicable invoice for the Covered Expense will simply be reimbursed up to the Monthly Benefit Access Limit for the respective month of the incurred expense. If the Flexible Benefit had already been paid to You, the reimbursable Covered Expense will first be offset by any Flexible Benefit amount that was overpaid, if any. The remainder of the reimbursable Covered Expense, if any, will be paid accordingly.*

Benefit amounts payable under the Flexible Benefit for care provided by a family member or other informal care provider will be determined based on Usual and Customary charges the geographic region where Your care is received. Such amounts payable will also be based on the skill level for the care or services required by You.

Unused Monthly Benefit Access Limit amounts do not roll over or accumulate month to month; however, all un-used benefit amounts will remain in Your overall Benefit Bank balance.

All claims are payable in United State dollars only.

**To Whom Benefits  
Are Payable**  
(Payment of  
Claims)

All benefits will be payable to You unless otherwise assigned by You or Your Representative, except such benefits as might be payable under the Money-Back Promise Option (if elected) to a Beneficiary named by You. Any other benefits unpaid at Your death will be payable to Your estate. However, We reserve the right to pay up to \$2,000 of such benefits otherwise payable to Your estate directly to someone related to You by blood or marriage who is deemed by Us to be justly entitled to the benefits. We will be discharged to the extent of any such payment in good faith. The payor of last resort for the Policy is the Department of Medical Assistance Services.

**Appeal Process**

If You disagree with Our decision regarding Your claim, You can appeal. You may request in writing or electronically within 60 days of the decision that We reconsider Your claim. You should submit any additional information that You feel We need to review Our decision. You should include the names, addresses, and phone numbers of any care providers You think We should contact to learn more about Your loss. You are responsible for the expense of securing additional information, if applicable, for each instance of reconsideration. We will reconsider Our decision and send You written or electronic notification of the results. If We deny Your appeal request and You want to receive written or electronic information related to such denial, that information will be sent to You within 30 days of receipt of Your appeal request.

**Assignment of Benefits**

You may instruct Us to pay benefits due You under this coverage directly to a Nursing Home, Assisted Living Facility, Adult Day Care Center or Home Care Agency providing the care for which We are reimbursing expenses. You must notify Us in writing or electronically. The care provider must also agree to the assignment of benefits. No assignment shall be binding upon Us unless a copy is on file at Our office. We do not assume any responsibility for the validity or effect of an assignment.

SAMPLE

### SECTION 3: LIMITATIONS OR CONDITIONS ON ELIGIBILITY FOR BENEFITS

#### Exclusions

No benefits, including the Flexible Benefit, will be payable under this Policy for:

- a loss that occurs while this Policy is not in force; or
- an illness, treatment or medical condition that is due to war or act of war, whether declared or not; or
- an illness, treatment or medical condition that results from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury; or
- expenses for treatment or rehabilitation related to alcoholism or drug addictions; or
- expenses for services or items to the extent that such expenses are reimbursable under Title XVIII of the Social Security Act (Medicare), or would be so reimbursable but for the application of a deductible or coinsurance amount; or
- care or services, unless otherwise required by law, for which benefits are duplicated or provided under a governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law; or
- care or services provided outside the United States of America, its territories or possessions, or Canada.

Charges for the following types of care or services are excluded under the reimbursable Covered Expenses for Qualified Long Term Care Services portion of Your Policy; however, the following types of care or services may be covered under the Flexible Benefit portion of Your Policy:

- care or services provided by a family member unless:
  - he or she is a regular employee of an organization which is providing the treatment, service or care; and
  - the organization receives the payment for the treatment, service or care; and
  - he or she receives no compensation other than the normal compensation for employees in his or her job category; or
- care or services for which no charge is made in the absence of insurance.

## SECTION 4: PREMIUM AND RENEWAL PROVISIONS

<b>Premium Payments</b>	You will pay premiums to Us or to one of Our agents. Your first premium is due on the Policy Effective Date as shown on Your Schedule of Benefits.
<b>Grace Period</b>	There is a 31 day Grace Period. This means that if a premium is not paid on or before the date it is due, it may be paid during the following 31 days. Your insurance under the Policy will remain in force during the Grace Period, unless We have been advised in writing by You or Your Representatives that You want to cancel Your coverage prior to the end of the Grace Period.
<b>Protection Against Unintentional Lapse</b>	You have the right, at the time of application, to designate at least one person who is to receive notice of termination for non-payment of premium in addition to Yourself. You may change this designation at any time. To do so, You must notify Us in writing or electronically. We will remind You in writing or electronically every two years of this opportunity.
<b>Notification of Termination Due to Non-Payment</b>	If Your premium is due and unpaid at the end of the Grace Period, We will give notice of termination to You and to the person(s) You have designated to receive notice. The notice of termination will be sent at the end of the Grace Period and at least 35 days in advance of termination. This notice will state the amount of unpaid premium, the date by which premium must be paid, and the date the coverage is to terminate. Our notice will be sent prepaid by United States first class mail. We will consider You and Your designee(s) notified as of five calendar days after the date the notice is mailed by Us. If Your premium remains unpaid on the termination date stated in the notice, Your coverage will terminate as of the end of the Grace Period. Any benefits payable after the last date for which Your premium was paid will be reduced by the premium due from the date the last premium was paid to the date Your coverage under the Policy terminated.
<b>Waiver of Premium</b>	We will waive the payment of premium beginning on the first day You begin receiving benefits. As long as You continue to receive benefits, additional premiums will not be required. Premium payments will again be required after 30 days of not receiving benefits. We will credit or refund, on a pro rata basis, any premiums paid for periods in which Waiver of Premium is in effect. Any such credit will be applied to reduce future premiums that may become due. Any such refund will be made as described in the Refund of Premiums in Certain Cases paragraph below.
<b>Unpaid Premium</b>	When a claim is paid, any premium due and unpaid will be deducted from the claim payment.

**Refund of  
Premiums in  
Certain Cases**

If You die while covered under the Policy or choose to cancel Your Policy, We will refund the unearned premium and the pro rata part of any earned premiums paid for periods beyond Your death and cancellation. In addition, if You become eligible for Waiver of Premium, We will refund any outstanding credit with respect to the Waiver of Premium as described above. In the event of death, any refund will be made within 30 days of Our receipt of Your certified death certificate and will be paid to Your Beneficiary. If there is no named or living Beneficiary on the date of Your death, any refund will be paid to Your estate. In the event of termination by Us or Your cancellation of the Policy, any unearned portion of any premium will be paid to You within thirty days of the effective date of such cancellation or termination. The earned premium shall be computed on a pro rata basis. In the event of an outstanding credit applicable to Waiver of Premium, any such refund will be paid upon the earlier of Your death or Your cancellation of the Policy and will be paid to Your Beneficiary, Your estate or to You in the manner described above. The aggregate amount of all refunds paid upon Your death or cancellation of the Policy cannot exceed the total premiums You paid for Your Policy.

**Reinstatement**

If Your coverage is terminated due to non-payment of premiums, You may apply for Reinstatement by notifying Us. You will be asked to complete an Application and We have the right to require evidence of insurability. A completed Application must be received by Us within one year after the end of the Grace Period. You will be given a conditional receipt for any premiums paid with the Application. You will be required to pay the cost of any records that may be necessary to provide this evidence.

If We approve the Application, the Policy will be reinstated as of the approval date. The Policy will be reinstated on the 45<sup>th</sup> day after the date of the conditional receipt unless the We notify you of our disapproval sooner.

In all other respects, upon Reinstatement You will have the same rights under the Policy as You had prior to the Premium Due Date of the defaulted premium.

Any premiums that We accept for Reinstatement will be applied to a period for which premiums have not been paid. No premiums will be applied to any period more than 60 days prior to the date of Reinstatement.

**Added Protection  
Against Lapse**

If Your coverage is terminated due to non-payment of premiums because You were Chronically Ill before the Grace Period expired, We will provide a reinstatement of coverage based on the conditions specified below. To be eligible for this reinstatement, You must provide Us proof that You were Chronically Ill before the Grace Period expired.

The proof must be in the form of a certification and Assessment from a Licensed Health Care Practitioner which demonstrates that You were Chronically Ill. The proof must be provided to Us within five months of the termination date. You must pay all past due premiums for the coverage that was in force immediately prior to the date of termination. In that event, Your insurance will be reinstated as of the date of that termination without interruption of insurance for that period.

## SECTION 5: GENERAL PROVISIONS

<b>Coverage Effective Date</b>	You will become covered under the Policy on the Policy Effective Date shown on Your Schedule of Benefits, subject to payment of the required premium.
<b>Coverage Termination Date</b>	<p>Your coverage terminates on the first to occur of:</p> <ul style="list-style-type: none"><li>• the date of Your death; or</li><li>• the date coverage is cancelled pursuant to Your request; or</li><li>• the date Your Benefit Bank is exhausted; or</li><li>• the last day of the Grace Period; or</li><li>• if You are covered under the Lapse Protection Benefit or the Contingent Non-Forfeiture Benefit, the date Your revised Benefit Bank has been exhausted.</li></ul>
<b>Right to Reduce Coverage</b>	If You wish to lower Your premiums in the future, You have the right to reduce Your coverage by requesting a lesser Benefit Bank amount. To request a reduction in coverage, You simply notify Us in writing or electronically. Your revised premium will be based on Your original issue age, Your original rate class and Our premium rate schedule as of the date the coverage change is made.
<b>Change of Beneficiary</b>	You may change your Beneficiary at any time by giving written or electronic notice to Us. The effective date of the Beneficiary change will be the date the change is received and recorded by Us.
<b>Extension of Benefits</b>	If Your Policy terminates due to failure to pay premium, We will recognize Your basis for a claim for Your Confinement in a Nursing Home or an Assisted Living Facility before the date Your Policy ended in the same manner as if Your insurance was in force. Extension of Benefits stops on the earlier of the date when You no longer meet the Eligibility Requirements for benefits, the date You are no longer Confined in a Nursing Home or an Assisted Living Facility, or the date Your Benefit Bank is exhausted.
<b>Entire Contract</b>	<p>The entire contract consists of: the Policy, the Schedule of Benefits, any riders or endorsements to the Policy that are issued by Us, and Your Application.</p> <p>This Policy is issued in consideration of: 1) the attached Application; and 2) the payment in advance of the first premiums.</p>



**Contract Changes**

Any contract change made by Us must be signed by one of Our executive officers. No agent may modify or waive any of the terms of the contract. No change in the contract is effective until You accept the change in writing or electronically, with the following exceptions: a change in the premiums; a change which is required by law or regulation; or a change which does not reduce or eliminate benefits or coverage. These exceptions do not include an increase in benefits or coverage with a like increase in premium. Any change will be without prejudice to any claim incurred for benefits prior to the date of the change.

**Misstatements /  
Incontestability**

In issuing this Policy, We have relied upon information presented by You in Your Application. If Your Policy has been in force for less than six months, We may rescind Your Policy or deny a claim due to a misrepresentation in Your Application that is material to the acceptance for coverage.

If Your Policy has been in force for at least six months, but less than two years, We may rescind Your Policy or deny a claim due to a misrepresentation in Your Application that is both material to the acceptance for coverage and which pertains to the condition for which benefits are sought.

After Your Policy has been in force for two years, We cannot rescind Your Policy or deny a claim due to misrepresentation alone, except in cases where We can show that You knowingly and intentionally misrepresented relevant facts relating to Your health in Your Application.

**Misstatement  
of Age**

If the Insured's Age has been misstated, the benefits will be those the premiums paid would have purchased at the correct age.

**Conformity With  
State Statutes /  
Severability**

Any provision of Your Policy which, on the Policy Effective Date, is contrary to the applicable laws of the state where You reside is amended to conform to the minimum requirements of such state laws.

**Conformity  
With Internal  
Revenue Code**

If on the Policy Effective Date, the Policy does not comply with the requirements of Section 7702B(b) of the Internal Revenue Code of 1986, it will be treated as if it had been changed to comply with those requirements. Because the Policy is guaranteed renewable, We will inform You in writing or electronically of any required change in the provisions of this Policy; and You will be given the choice of accepting the change, or retaining the Policy without that change.

**Time Periods**

All time periods start and end at 12:01 a.m. in the time zone in which You reside.

**Clerical Error**

Clerical error or delays in making entries on the records by Us or Our designees will not void Your coverage if Your coverage would otherwise have been in effect. Such clerical error will not cause You to become insured if You are otherwise not eligible. Such clerical error will also not extend Your coverage if Your coverage would otherwise have ended or been reduced as provided by the Policy. If a clerical error is found, premiums and benefits will be adjusted based on the true facts and the provisions of the Policy.

**Legal Actions**

No action may be brought to recover under this Policy until 60 days after proof of loss has been given to Us. No action can be brought more than three years from the date written or electronic proof of loss was required to be given.

SAMPLE

## SECTION 6: GLOSSARY

This Section provides the definitions of words and terms used in the Policy that have a special meaning when applied to Your coverage. To help You recognize these special words and terms, the first letter of each word is capitalized wherever it appears throughout the Policy.

### Activities of Daily Living (ADLs)

Each of the following functions is an **Activity of Daily Living**:

- **Bathing:** Washing oneself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower.
- **Dressing:** Putting on and taking off all items of clothing and any necessary braces; fasteners or artificial limbs.
- **Toileting:** Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- **Transferring:** Moving into or out of a bed, chair or wheelchair.
- **Continence:** The ability to maintain control of bowel and bladder function; or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene (including caring for catheter or colostomy bag).
- **Eating:** Feeding oneself by getting food into the body from a receptacle (such as a plate, cup, or table) or by a feeding tube or intravenously.

### Adult Day Care

A program for six or more individuals of social and health-related services provided during the day in a community group setting. The purpose is to support frail, impaired elderly or other disabled adults who can benefit from care in a group setting outside the home.

### Adult Day Care Center

A facility that is licensed registered or certified to provide a planned program of Adult Day Care services by the state in which it operates. If the state does not license such facilities, then it must be operated pursuant to law and meet all of the following standards:

- it provides Adult Day Care services in a protective setting and related supportive services that are designed to meet the needs of functionally or cognitively impaired adults through an individualized service plan;
- it operates on less than a 24 hour basis;
- it keeps written record of services for each person; and
- it has established procedures for obtaining appropriate aid in the event of a medical emergency.

### Application

The written or electronic application form provided by Us and completed by You when You apply for coverage.

### Assessment

An evaluation done by a Licensed Health Care Practitioner to determine or verify that You are Chronically Ill. The Assessment uses generally accepted tests and instruments that use objective measures and produce verifiable results.

**Assisted Living Facility**

A facility that is engaged primarily in providing ongoing care and related services that: (a) has the appropriate state licensure or certification as an Assisted Living Facility where required; and (b) meets all of the following requirements:

- it provides services and care on a continuous 24-hour basis sufficient to support the needs resulting from the inability to perform Activities of Daily Living or from a Severe Cognitive Impairment;
- it has trained and ready-to-respond personnel actively on duty in the facility at all times to provide the services and care;
- it makes and keeps records of all care and services provided to each resident;
- it provides at least three meals a day and accommodates special dietary needs;
- it provides residential services and Maintenance or Personal Care Services for at least six inpatients in one location;
- it has formal arrangements with a Physician or Nurse to furnish medical care in case of an emergency; and
- it has appropriate procedures to provide onsite assistance with prescription medications.

Assisted Living Facility also means a facility that is licensed as a specialized Alzheimer's unit in a state where such licensure exists.

If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as an Assisted Living Facility only if it is engaged primarily in providing care and services that meet all of the above criteria.

An Assisted Living Facility is not a hospital or clinic, a place that operates primarily for the treatment of alcoholism, drug addiction or Mental Disorder, a Nursing Home, an individual residence or an independent living unit.

**Beneficiary**

The person designated by You to receive benefits, if any are payable, under this Policy after your death, or to receive a Refund of Premiums in Certain Cases, if applicable.

**Benefit Bank**

The overall maximum benefit amount payable under Your Policy. This amount decreases for benefits paid and increases for applicable optional inflation protection benefits (if elected by You), Guaranteed Future Purchase Offers that are accepted, and underwritten coverage amount increases.

**Benefit Wait Period**

The total number of days that You remain Chronically Ill before benefits are payable. The Benefit Wait Period begins on the first day that We verify You are Chronically Ill. Days more than 12 months prior to the date You submit Your initial claim request will not count towards meeting the Benefit Wait Period, even if it can be established that You were Chronically Ill at that time. The Benefit Wait Period need only be met once during your lifetime.

**Benefit Wait Period**  
(continued)

You do not have to be receiving Qualified Long Term Care Services in order to satisfy the Benefit Wait Period. Any day on which We verify that You are Chronically Ill will count toward the Benefit Wait Period.

**Chronically Ill**

You are Chronically Ill when You have been certified by a Licensed Health Care Practitioner as:

- being unable to perform, without Substantial Assistance from another person, at least two Activities of Daily Living for a period that is expected to last at least 90 consecutive days due to a loss of functional capacity; or
- requiring Substantial Supervision to protect Yourself from threats to health and safety due to a Severe Cognitive Impairment.

You will not meet the definition of Chronically Ill unless within the preceding 12-month period a Licensed Health Care Practitioner has certified that You meet such requirements.

**Substantial Assistance** means either Hands-on Assistance or Standby Assistance. **Hands-on Assistance** means the physical assistance of another person without which You would be unable to perform the Activities of Daily Living. **Standby Assistance** means the presence of another person, within Your arm's reach, that is necessary to prevent by physical intervention, Your injury while You are performing the Activity of Daily Living.

**Substantial Supervision** means continual supervision (which may include cueing by verbal prompting, gestures or other demonstrations) by another person that is necessary to protect You from threats to Your health or safety (including, but not limited to, such threats as may result from wandering.)

**Confinement or Confined**

A period of time You are a resident in a Nursing Home or an Assisted Living Facility during which a room and board charge is made.

**Covered Expenses**

Costs for Qualified Long Term Care Services received in a Nursing Home, Assisted Living Facility, Adult Day Care Center, Hospice Care facility, or through a Home Care Agency, or by an Independent Provider or at-home Hospice Care provider.

Covered Expenses for Nursing Home care, Assisted Living Facility care or facility-based Hospice Care include expenses You incur for Qualified Long Term Care Services during Your confinement in a Nursing Home, Assisted Living Facility or Hospice Care facility for:

- room and board (including charges to reserve Your bed when You are absent for any reason except discharge);
- ancillary services;
- patient supplies provided by the Nursing Home, Assisted Living Facility or Hospice Care facility for care of its residents; and
- Hospice Care services.

**Covered Expenses**  
(continued)

Covered Expenses for Home Care Agency or Independent Provider care or at-home Hospice Care include expenses You incur for Qualified Long Term Care Services provided to You by a Home Care Agency, an Independent Provider or at-home Hospice Care provider for:

- Home Care Services;
- Maintenance or Personal Care Services; and
- Hospice Care Services.

Covered Expenses for any type of provider do not include the cost of drugs.

**Flexible Benefit**

The benefit available to You if You meet the Eligibility Requirements for benefits and have not depleted the full amount of your Monthly Benefit Access Limit for Covered Expenses for Qualified Long Term Care Services incurred in a given calendar month. This benefit is designed to address various forms of care, services and/or products which are recognized to effectively support or serve special needs of a Chronically Ill individual, but which are not formally defined within this Policy under the term Covered Expenses. This benefit is further described in Section 1 in the Benefit Payout Structure paragraphs and in Section 2 in the Benefits Availability and Payments paragraphs.

**Home Care Agency**

An entity that is regularly engaged in providing Home Care Services, or Maintenance or Personal Care Services for compensation and employs staff who are qualified by training or experienced to provide such care. The entity must:

- be supervised by a qualified professional such as a Registered Nurse (RN), a licensed social worker, or a Physician;
- keep clinical records or care plans on all patients;
- provide ongoing supervision and training to its employees appropriate to the services to be provided; and
- have the appropriate state licensure or certification, where required.

**Home Care Services**

Medical and nonmedical services provided to the ill, disabled, or infirm persons in their residences.

The following services provided in Your home:

- part-time or intermittent skilled services provided by licensed nursing personnel;
- physical therapy, respiratory therapy, occupational therapy, speech therapy, or medical social services;
- home health aide or personal care attendant services, including assistance with or performance of personal hygiene, Activities of Daily Living, medication management or other related supportive services; and
- homemaker services, such as meal preparation, laundry, housekeeping, transportation and shopping *when provided in conjunction with any other Home Care Services specified above.*

<b>Hospice Care</b>	<p>Services designed to provide palliative care to someone diagnosed with a Terminal Illness in order to help alleviate that person's physical emotional and/or spiritual discomforts during the last phases of life. Hospice Care can be provided in Your home, or in a separate facility. The provider of Hospice Care services must be licensed or certified to provide Hospice Care by the state in which it is located.</p> <p><b>Terminal Illness</b> means an illness or injury which a Physician certifies is likely to result in a person's death within six months.</p>
<b>Independent Provider</b>	A home health aide, certified nursing assistant, Nurse, or physical, occupational respiratory or speech therapist who is working independently and is not affiliated with a Home Care Agency. Such person must be licensed, registered or certified to provide Home Care Services and Maintenance or Personal Care Services by the state in which he or she is providing the services.
<b>Licensed Health Care Practitioner</b>	Any of the following who is not a family member: a Physician (as defined in section 1861(r)(1) of the Social Security Act); a registered professional nurse; a licensed social worker; or any other individual who meets such requirements as may be prescribed by the Secretary of the Treasury of the United States.
<b>LifeSecure Care Advisor</b>	A Licensed Health Care Practitioner designated by Us who is qualified by training and experience to assist in identifying and coordinating the overall care needs of a person who is Chronically Ill.
<b>Maintenance or Personal Care Services</b>	Any care the primary purpose of hands on services to provide you with the needed assistance with helping you conduct Your Activities of Daily Living while You are Chronically Ill. This includes protection from threats to health and safety due to Severe Cognitive Impairment.
<b>Medicaid</b>	The program administered in accordance with Title 32.1 of the Code of Virginia.
<b>Medicare</b>	Title XVIII of the Social Security Act as amended.
<b>Mental Disorder</b>	Any neurosis, psychoneurosis, psychopathology, psychosis, or mental or emotional disease or disorder, as classified in the Diagnostic and Statistical Manual of Mental Disorders (DSM) published by the American Psychiatric Association. If the DSM is discontinued or replaced, the diagnostic manual in use by the American Psychiatric Association as of the date of Your illness will be used.

**Monthly Benefit  
Access Limit**

The dollar amount of benefits available to You on a monthly basis during a claim period. The original dollar amount is calculated as a percentage of the Benefit Bank (either 1%, 2% or 3%). Your Schedule of Benefits shows the Monthly Benefit Access Limit You have elected. The dollar amount of Your Monthly Benefit Access Limit increases for applicable optional inflation protection benefits (if elected by You), Guaranteed Future Purchase Offers that are accepted and underwritten coverage amount increases.

**Nurse**

Someone who is licensed as a Registered Nurse (RN), Licensed Practical Nurse (LPN), or Licensed Vocational Nurse (LVN) and is operating within the scope of that license.

**Nursing Home**

A facility or distinctly separate part of a hospital or other institution that is appropriately licensed or certified, or complies with the state's facility licensing requirements to engage primarily in providing nursing care to inpatients under a planned program supervised by a Physician. It also:

- provides twenty-four (24) hour-a-day nursing care by a Nurse under the supervision of a Registered Nurse (RN) or a Physician;
- maintains a daily medical record of each inpatient; and
- provides nursing care at skilled, intermediate, or custodial levels.

Nursing Home also means a facility that is licensed as a specialized Alzheimer's unit in a state where such licensure exists.

A Nursing Home is not: a hospital or clinic; a place which operates primarily for the treatment of alcoholism, drug addiction, or Mental Disorder; an Assisted Living Facility; an adult residential care home; a domiciliary care facility; or Your primary place of residence in an area used principally for independent residential living; or a similar establishment. If a facility has multiple licenses, a portion, wing, ward, or unit will qualify as a Nursing Home only if it meets all of the above criteria; is authorized to provide nursing care to inpatients; and is engaged principally in providing such nursing care in accordance with that license.

**Physician**

A doctor of medicine or osteopathy legally authorized to practice medicine and surgery by the state in which he or she performs such function or action.

**Plan of Care**

A written individualized plan of services prescribed by a LifeSecure Care Advisor or another Licensed Health Care Practitioner. The Plan of Care specifies Your long term care needs and the type, frequency, and providers of the services appropriate to meet those needs and the costs, if any, of those services. The Plan of Care will be modified as required to reflect changes in: Your functional or cognitive abilities, Your social situation, and Your care service needs.



<b>Policy</b>	The contract between You and Us.
<b>Premium Due Date</b>	Each date a premium is due, after the initial premium, in accordance with the terms of this Policy.
<b>Qualified Long Term Care Services</b>	Necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services which are: <ol style="list-style-type: none"> <li>1. required by a Chronically Ill individual; and</li> <li>2. are provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.</li> </ol>
<b>Representative</b>	A person or entity legally empowered to represent You.
<b>Severe Cognitive Impairment</b>	A loss or deterioration in intellectual capacity that is comparable to (and includes) Alzheimer's disease and similar forms of irreversible dementia and is measured by clinical evidence and standardized tests that reliably measure impairment in the person's: <ul style="list-style-type: none"> <li>• short-term or long-term memory;</li> <li>• orientation as to people, places or time;</li> <li>• deductive or abstract reasoning; and</li> <li>• judgment as it relates to safety awareness.</li> </ul>
<b>Usual and Customary</b>	Amounts customarily charged in a given geographic region for similar forms of care, services and/or products which are recognized to effectively support the long term care needs of a Chronically Ill individual, as recommended by a Licensed Health Care Practitioner.
<b>We, Us, Our</b>	LifeSecure Insurance Company or the administrator it designates.
<b>You, Your or Yourself</b>	The Policyholder named on Your Schedule of Benefits.

July 16, 2018

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

Dear Ms. Houser:

Since this filing was initially submitted, LifeSecure has had a new LTC product filed and approved. The rates that were used to cap this filing's rate increase will not be marketed when this rate increase is implemented. Therefore, LifeSecure would like to take this opportunity to revise the rate increase request's application of the new business cap by using the recently approved product as the cap. The assumptions and any pre-rate increase projections will remain unchanged. The justifiable rate increase amount will only change as a result of the changes discussed in point 3 of objection 1 below. Adjusting the cap allows us to remove the condition on the certification of the rate schedule under moderately adverse assumptions, reducing the likelihood of another rate increase. It also restores consistency between policies that were capped and those that were not.

The following are LifeSecure's responses to your objections sent on November 16, 2017:

#### **Objection 1**

**1. Virginia law does not recognize a change in the IRR of distributable earnings as a trigger for a rate increase request. Please modify the Company's actuarial documentation as needed.**

The following scenarios were used to determine the IRR trigger:

- Morbidity increase of 10%
- Ultimate lapse  $\frac{1}{2}$  those used in pricing
- Mortality decline by 20%
- Investment rate that declined by 100 bps

If we ignore the IRR impact and focus on the assumptions themselves, the following shows the average impact of moving to the current assumptions:

- Morbidity increased 31%
- Ultimate lapse is  $\frac{2}{3}$  those used in pricing
- Mortality declined 10%
- Investment rate not considered

The morbidity factor alone meets the trigger. Combining this with the lapse and mortality changes would only exceed the trigger even further.

**2. The Bureau is still in need of a lifetime projection of business using all original assumptions and actual mix of business, showing this information by calendar year with the actual sales as they occurred so that this can be compared to the other inforce projections. This could be accomplished by running the inforce projection model with the same policy cohorts as in the Exhibit C projections, but using the original premium scale for all years and all of the original assumptions for morbidity, mortality, and lapse from issue rather than the actual experience. These projections should be provided separately for GPO, 3% and 5% business.**

See Attachments 1a – 1d in the file “Virginia Objection 3 Attachments.pdf”.

**3. The Bureau requires that projections made under 14VAC5-200-153.C.2. utilize the original pricing loss ratio (calculated at the same interest rate used in the testing) if higher than the stipulated 58% or 85%. In the Company’s September 21, 2017 response, the original lifetime loss ratios are presenting in Objection Exhibit 3. Using this data and the discount rate of 3.7%, the corresponding pricing loss ratios are 52.9%, 61.5%, and 79.6% for GPO, 3% and 5%, respectively. It appears that the 5% policies are not in compliance with a 79.6%/85% test. Please provide an alternative rate increase request for this block of policies which will comply.**

The implementation date for any approved rate increases was assumed in the filing to be 10/1/2017. Since it is currently mid-2018, LifeSecure is revising the assumed implementation date to be 12/1/2018 in order to be more accurate with the required rate increase. This is intended to assist in preventing the need for additional rate increases in the future due to this time difference. Attachments 2a – 2d and 3a – 3d in the file “Virginia Objection 3 Attachments.pdf” show the revised lifetime loss ratio exhibits without rate increase and with rate increase, respectively, for the updated implementation date and new business rate cap. The rate increases are still split by benefit inflation option and are limited such that they comply with 14VAC5-200-153.C.2 as requested.

Attachment 1 shows the lifetime loss ratio exhibits by calendar year split by benefit inflation option using original pricing assumptions with actual business mix. Using the higher of those lifetime loss ratios and 58% in the tests, the rate increases that can be requested are 22.4% for GPO policies, 38.2% for 3% compound inflation policies, and 54.2% for 5% compound inflation policies. The passing tests for these rate increases are shown in Attachments 4a – 4d in the file “Virginia Objection 3 Attachments.pdf”. These are LifeSecure’s alternative rate increase requests.

**4. From the chart provided in your September 21, 2017 response to Objection 4.4., the primary drivers of the need for a rate increase are lapses and morbidity. However, the actual-to-expected results for both claim costs and total terminations are favorable to the Company (i.e., less than 100% for claims and greater than 100% for terminations). This would imply that the entirety of the need for a rate increase is based on assumption of future experience that are worse than anticipated while past experience was better than anticipated. Please justify basing this increase request solely on a change in anticipated industry experience which has not been exhibited by the Company.**

The block of business that this rate increase is being requested on is a relatively young block with policies being issued between November 2006 and July 2015. As of today, the inforce policies have an average attained age of just under 59 years old and an average policy duration of approximately 4.8 years. For Long Term Care, since claims typically occur at higher attained ages and in higher durations, this does not allow for our historical experience to be a good indicator of the future experience. Therefore, LifeSecure has relied on the Milliman Guidelines to set the future assumptions based on a much more credible set of industry-wide data.

## **Objection 2**

**1. Please refer to the company using its full and proper name, LifeSecure Insurance Company, in the third sentence of the first paragraph of the letter.**

LifeSecure Insurance Company has been added.

**2. Our objection indicating that any references to future rate increases should clearly state that no premium increases will be implemented unless first filed and approved by the Virginia State Corporation Commission has not been resolved by stating such increases would be in accordance with the requirements of the state in which your policy was issued. Since this form is specific to Virginia, we again request the language be amended as requested.**

The generic language has been revised to, "...was filed and approved by Virginia State Corporation Commission." – Paragraph 2

**3. According to your response, the LTC Rate Increase Notice will not be included with the policyholder letter for those on waiver. Without this form included, the policyholder letter would not be in compliance with 14VAC5-200-75 D 2 which requires a clear explanation of options available to the policyholder as alternatives to paying the rate increase. Please resolve.**

If an insured is on Waiver of Premium, the rate increase would not go into effect until such time they are removed from waiver and changed to an active premium paying status. If we provide them with the Selection Option Form with the options available as of the date of the letter (while they are still on Waiver of Premium), the options that would be shown will not be correct since they will continue to use funds from their Benefit Bank and if they have Inflation Protection, the Benefit Bank amount shown will not reflect the amount they would have accumulated at the time they go back to active premium paying status. Also, as you are aware, industry trends show many individuals who go on claim for long term care either remain on claim until the benefits are exhausted or the insured passes away. Our intent at not providing them the Selection Option Form while they are on Waiver of Premium is to not confuse them since we are telling them they are not affected at this time.

We have also revised the language in the letter: If you are currently on Waiver of Premium, you will not be affected by this rate increase at this time. If your Policy returns to active premium paying status, you will receive a new notification letter which will also include a Selection Option Form outlining the options that are available to you at that time. – Paragraph 5

**4. The Company indicated the reason for the rate increase was included in paragraph two of the policyholder letter. The letter simply indicates the company evaluated a variety of factors that impact premium rates but does not include a clear identification of the driving factors of the premium rate increase pursuant to 14VAC5-200-75 D 3. What exactly are the factors that affected the need for a rate increase and why. Below is an example of such an explanation:**

**“Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulting in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims.”**

Language has been added to Paragraph 2 to meet this requirement.

**5. Please provide a Certification of Compliance for both the policyholder letter and selection form with language compliant with 14VAC5-100-40 3.**

Certification of Compliance is attached under the Supporting Documentation tab.

**6. The letter has a bracketed section on page two of the letter with no explanation in the Statement of Variability. It is unclear why this section “We understand if you would like to explore other options to continue your coverage. The enclosed Selection Form outlines some options that may be available to you” would be bracketed. For compliance with 14VAC5-200-75 D 2 this sentence should not be bracketed.**

The brackets have been removed. – Paragraph 9

**7. The insured should have the potential removal of riders as an option to reduce the impact of the rate increase. In regards to an inflation rider, will the policyholder only be able to reduce the inflation protection to a lower percentage based on those percentages currently offered or has the company determined actuarially a percentage reduction that would allow the rate increase to be zeroed out if accepted which would result in no rate increase, commonly referred to as a landing spot?**

**a. We understand the Compound Inflation Rider 3% and 5% can be removed by the policyholder.**

**b. Can policyholder’s change from the 5% to the 3%?**

Policyholders can reduce their benefits from the 5% compound inflation rider to the 3% compound inflation rider in order to help mitigate the rate increase if they want. However, LifeSecure has not created landing spots with different percentages of inflation for the policyholders.

**8. Please include a statement in the letter for compliance with 14VAC5-200-75 A 4 b that the insured has the right to request a revised premium rate or rate schedule.**

We did not add the statement that they have the right to request a new rate or rate schedule since they will receive a new Schedule of Benefits showing the new premium once the rate increase goes into effect or showing the changes made if they choose to drop or change their inflation protection or select another option on the Selection Option Form. Paragraph 6 includes the sentence, "You will receive an updated Schedule of Benefits which should be retained with your policy."

**9. The rate increase ranges from 1% to 90%. Is the Company willing to implement the increases in a series? If so, a policyholder letter would need to be sent prior to the implementation of each increase; and, as a result, the policyholder letter and statement of variability should be amended to include the appropriate variability to accommodate this.**

Yes, the Company is willing to implement the actuarially equivalent rate increase phased over a set number of years. If a phased rate increase is approved, LifeSecure will update and send a revised policyholder letter and Selection Option Form each year prior to the effective date of the increase.

### **Objection 3**

**The language under Variable 2 should clearly state the paid up value under Contingent Non-Forfeiture Benefit will be the greater of 100% of the sum of all premiums paid or 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. This benefit would automatically become effective 120 days from the date of lapse if the premium is not paid.**

**Please confirm that the Contingent Non-Forfeiture Benefit will be administered to all policyholders or only those eligible policyholders in accordance with 14VAC5-200-185 D as revised in September 2015. Please be aware the trigger points have been changed. For consistency with the regulation, the benefit should be referred as the Contingent Benefit Upon Lapse option.**

We understand the regulation uses this term, but our policy was approved with the Contingent Non-Forfeiture Benefit Option terminology and changing would be confusing for the policyholder. A copy of the policy is attach under the Supporting Documentation tab.

**How does this differ from the Standard Option provided under Variable 2a and the Lapse Protection Benefit under Variable 3?**

- The Contingent Non-Forfeiture Benefit will not be available if the policyholder's age and increase amount does not meet triggers for a substantial premium increase as outlined in 14VAC5-200-185 or if they purchased the Lapse Protection Benefit.
  - o Lapse Protection Benefit is an optional benefit policyholders can purchase. When the policy is in force for three full years and terminates due to non-payment, a reduced paidup amount of coverage is available:

- Policyholder will have a revised Benefit Bank equal to the greater of 100% of premiums paid or
- One times the Monthly Benefit minus any benefits already paid

**There is a concern regarding the language that states the revised Benefit Bank is reduced by the sum of all benefits previously paid to You. As a result of this concern, the Manager of the Forms and Rates section in the Bureau will be in contact with the company to discuss this matter.**

Please phone Sue R. Howard, Director, Insurance Compliance, at (810)220-4614.

**For our purposes and pursuant to 14VAC5-200-185 F, the paid-up value will not exceed the maximum benefits that would have been payable if the Policy had remained in a premium paying status. Please explain how the company calculates the paid-up value for the Contingent Benefit Upon Lapse option.**

The paid-up value for the Contingent Benefit Upon Lapse option is calculated by taking the maximum of all the premiums paid by the policyholder or one month's worth of benefits, and then subtracting out any previous claims already paid to the policyholder. This amount will not exceed the maximum benefits that would have been available to the policyholder had they not exercised the Contingent Benefit Upon Lapse option.

#### **Objection 4**

**Since it is unknown as to when this filing will be approved, please replace the effective date in this form with "on approval after a 75 day notice" to avoid any misunderstanding or confusion as to when the increase will become effective.**

The Effective Date on the chart included on the policyholder letter is a variable field. The date will be the 75<sup>th</sup> day from the date the policyholder was notified.

**Also, please attach as page 2 a brief narrative to summarize the key information used to develop the rates including the main drivers for the revised rates. This should be similar to the reasons for the rate increase as contained in the policyholder letter.**

This page has been added to the LTC Insurance Rate Request Summary.

#### **Objection 5**

**The company is providing rate pages for Individuals and Associations, Employer-Based Groups, and Employer Groups. The originally approved filing is SERFF tracking number LFSC-125188842 and rates were not segregated by class. Please explain when rates by class were approved.**

The rates distinguished by those classes filed and were approved by the Department on July 15, 2010 SERFF tracking number for this is LFSC-126069494.

**Objection 6**

**Please provide a copy of the Schedule of Benefits that reflects all the potential variability in the form with a Statement of Variability.**

Statement of Variability and Schedule of Benefits are attached under the Supporting Documentation tab.

Thank you for your time and consideration of this filing.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Peake".

Kevin Peake, FSA, MAAA  
Actuarial Manager  
LifeSecure Insurance Company



September 13, 2018

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

Dear Mr. Smith:

The following are LifeSecure's responses to your objections sent on August 23, 2018:

**Objection 1**

**Please submit an updated actuarial memorandum reflecting the increase request as revised on 7/16/2018.**

See the PDF named "VA Revised Actuarial Memorandum 2018.09.13.pdf" for an updated actuarial memorandum reflecting the increase request as revised on 7/16/2018.

**Objection 2**

**The original request was capped so as not to exceed currently marketed premiums, but the revised request does not appear to be capped. Please explain.**

The original request was capped by the product that was being marketed and sold by LifeSecure at the time of the original filing. Since that time, LifeSecure has closed that block of business and has a new product being marketed with higher rates. The revised request is simply changing which product is being used as the cap.

However, due to the Bureau's requirement that the projections made under 14VAC5-200-153.C.2 utilize the original pricing loss ratio if higher than the stipulated 58% or 85% in the 58%/85% tests, the resulting rate increases revised for the previous objection of 22.4% for GPO policies, 38.2% for 3% compound inflation policies, and 54.2% for 5% compound inflation policies, do not result in higher rates than the currently marketed new business rates. Thus, Virginia does not have any policies that require a capped rate increase at the requested rate level.

Thank you for your time and consideration of this filing.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Peake".

Kevin Peake, FSA, MAAA  
Sr. Manager, Actuarial  
LifeSecure Insurance Company

October 8, 2018

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

Dear Mr. Smith:

The following are LifeSecure's responses to your objections sent on September 28, 2018:

**Objection 1**

**Please provide an actuarial certification as required by 14VAC5-200-153 B.2 in the Actuarial Memo.**

See the PDF named "VA Revised Actuarial Memorandum 2018.10.08.pdf" for an updated actuarial memorandum.

Thank you for your time and consideration of this filing.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kevin Peake".

Kevin Peake, FSA, MAAA  
Sr. Manager, Actuarial  
LifeSecure Insurance Company

April 11, 2019

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

Dear Mr. Toone:

The following are LifeSecure's responses to your objections sent on April 8, 2019:

### **Objection 1**

**Please explain why the Rate/Rule Schedule lists only form LS-0002 VA 07/07, while the Actuarial Memorandum says Form LS-0002, et al. Are there additional forms involved in this filing? If so, please add them to the Affected Forms section and submit any rates associated with them for approval.**

The LS-0002 VA 07/07 is the only form affected by this filing. The Actuarial Memorandum says Form LS-0002, et al because LifeSecure filed this same rate increase request in states other than Virginia.

### **Objection 2**

**In addition to LS-0002 VA 07/07, there are the following forms listed in the 2017 Annual Rate Report: LS-0052 VA 05/07, LS-0051 VA 05/07, LS-0100A VA 05/07, LS-0101 ST 05/07, and LS-0202A VA 07/07.**

**Please describe the relationship these forms have with LS-0002 VA 07/07.**

The description of the form numbers you have listed is below:

LS-0002 VA 07/07 – Policy  
LS-0052 VA 05/07 – Outline of Coverage  
LS-0051 VA 05/07 – Schedule of Benefits  
LS-0100A VA 05/07 – Personal Worksheet  
LS-0101 ST 05/07 – Potential Rate Increase Disclosure  
LS-0202A VA 07/07 – Agent Paper Application

### **Objection 3**

**Please provide the current nationwide cumulative increase to date.**

The current nationwide average cumulative increase to date is 11.2% for GPO policies, 22.8% for policies with 3% compound inflation, and 39.0% for policies with 5% compound inflation. This averages out to be a total cumulative increase of 20.7% percent for all policies.

**Objection 4**

**Please provide the nationwide cumulative increase if all increases filed were approved.**

LifeSecure has not finished filing in every state for this rate increase yet. However, if the increases that have been filed so far were all approved, the nationwide total cumulative rate increase would be 40.2%.

**Objection 5**

**Please move the Schedule of Benefits from Supporting Documentation to the Form Schedule.**

The Schedule of Benefits will be moved from Supporting Documentation to the Form Schedule.

Thank you for your time and consideration of this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Clark Himmelberger", with a stylized flourish at the end.

Clark Himmelberger, Senior Actuary  
LifeSecure Insurance Company  
Brighton, MI

February 21, 2020

RE: LifeSecure Insurance Company  
Individual Long Term Care Rate Increase Filing  
Virginia Objection Response

Dear Mr. Toone:

The following are LifeSecure's responses to your objections sent on January 22, 2020:

**1. We have some questions about Variable 2b: Limited Pay Option. Please explain how this option would be administered and provide 3 examples.**

The Limited pay option is administered just like the standard option for the contingent non-forfeiture benefits, but only applicable for eligible policies. The policy will be converted to a policy with a "paid-up" status with a lesser benefit bank. The three examples below demonstrate how this is calculated.

Policy A: 10 – Pay policy, paid 6 years of premiums, 400,000 purchased benefit bank, 4,000 monthly benefit access limit, no claims paid

New Benefit Bank amount:  $0.9 * (72/120) * (400,000) = 216,000$

New Monthly Benefit Access Limit:  $0.9 * (72/120) * (4,000) = 2,160$

Policy A becomes paid up with a new benefit bank of 216,000 and a monthly benefit access limit of 2,160.

Policy B: 10 – Pay policy, paid 4.5 years of premiums, 350,000 purchased benefit bank, 7,000 monthly benefit access limit, no claims paid

New Benefit Bank amount:  $0.9 * (54/120) * (350,000) = 141,750$

New Monthly Benefit Access Limit:  $0.9 * (54/120) * (7,000) = 2,835$

Policy B becomes paid up with a new benefit bank of 141,750 and a monthly benefit access limit of 2,835.

Policy C: Pay-to-65 policy, paid 5 years of premiums, current age is 55, 500,000 purchased benefit bank, 5,000 monthly benefit access limit, no claims paid

New Benefit Bank amount:  $0.9 * (60/180) * (500,000) = 150,000$

New Monthly Benefit Access Limit:  $0.9 * (60/180) * (5,000) = 1,500$

Policy B becomes paid up with a new benefit bank of 150,000 and a monthly benefit access limit of 1,500.

**2. Please state whether Variable 2a: Standard Option is automatically chosen if the policy lapses anytime within 120 days of the due date of the new, increased premium. If so, please revise the Selection Option Form to reflect that.**

Due to this block of business having both lifetime pay and limited pay policies, the Standard Option (Variable 2a) would not necessarily be chosen automatically if the policy lapsed anytime within 120 days of the effective date of the rate increase. The policy would also have to be a lifetime pay policy that qualified for the Contingent Non-Forfeiture Benefit under the eligibility requirements laid out in

the Virginia regulation 14 VAC 5-200-185. If the policy was a limited pay policy that was eligible for the Contingent Non-Forfeiture Benefit, then they the Limited Pay Option (Variable 2b) would automatically be chosen for them if they lapsed within 120 days of the effective date of the rate increase.

Because of the triggers and qualifications that need to be met for which option would be applied to the policy, we have not changed the Selection Option Form. However, if you would still like us to add additional clarification to this section on the form, we will be happy to do that.

Thank you for your time and consideration of this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Clark Himmelberger", with a stylized flourish at the end.

Clark Himmelberger, Senior Actuary  
LifeSecure Insurance Company  
Brighton, MI



LifeSecure Insurance Company  
Policyholder Support  
[P.O. Box 1019 Brighton, MI 48116  
Phone: 888.575.8246  
Fax: 877.226.0925]

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Policyholder Support

LifeSecure Insurance Company

[P.O. Box 1019 Brighton, MI 48116

Fax: 877.226.0925]

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[Mailing Date]

**Important Notice: Upcoming Long  
Term Care Premium Rate Increase**

[Policyholder Name]

Policy Number: [ ]

[Address]

[City, State and Zip]

**This is not a bill - you do not need to send any payment to us at this time.**

Dear [Policyholder Name]:

After a careful review, we have found that a premium increase is necessary to continue providing your long term care coverage. Your premium is not being increased due to changes in your personal health, age or claims history. We recognize and value your loyalty to LifeSecure Insurance Company for your long term care insurance needs. We are grateful to have earned your trust over the years, and we are committed to providing you with quality long term care coverage at affordable rates.

Our decision to increase premium rates was made after thoroughly evaluating a variety of factors that impact premium rates. Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims. This increase applies to everyone who purchased a policy under a specific policy series and was filed and approved by Virginia State Corporation Commission.

We maintain the right to raise premiums in the future. Should there be future rate increases, options similar to those being offered now will be available at that time. You may change your benefits at any time and not just at the time of a rate increase.

The rate increase request was reviewed by Virginia's State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at [www.scc.virginia.gov/BOI](http://www.scc.virginia.gov/BOI). The policyholder has the right to a revised premium or a rate schedule in the event of a rate premium increase.

**What this means to you:**

The rate increase will go into effect on the first premium due date on or after the Increase Effective Date listed in the table below, unless your premium is currently being waived because of your claim status. If you are currently on Waiver of Premium, you will not be affected by this rate increase at this time. If your Policy returns to active

LS-0827 VA 05/2020



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Policyholder Support  
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premium paying status, you will receive a new notification letter which will also include a Selection Option Form outlining the options that are available to you at that time.





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The following chart represents the upcoming change to your premium. If you pay your premium through a payroll deduction, the new premium will be in effect for the first premium due on or after the Increase Effective Date. If we do not hear from you by the effective date shown below, your new premium will go into effect. You will receive an updated Schedule of Benefits which should be retained with your policy.



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Policyholder Support  
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Fax: 877.226.0925

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If you have received, recently accepted, or are expecting to receive a Guaranteed Future Purchase Offer, the new premium shown below may not reflect the increased premium for that offer.

Your Current Premium	Your New Premium	Percentage of Increase	Increase Effective Date
[Current Premium] [Current Premium Mode]	[New Premium] [Current Premium Mode]	[%]	[Effective Date]

Your current plan may meet the requirements for Partnership Plan Certification, providing you with asset protection. If you decide to change your benefits, this may affect that status.

[Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete the enclosed form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.]

**[Variable 1:**

☐ Reduce my coverage so that my new premium payments will stay approximately the same as my current payment **OR reduce my premium through one of the options that may be available to me**

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**Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.]**

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from  
[\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium. ~~Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.]~~



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You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

[Variable 2:]

**☐ Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]



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- [Variable 2a:

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. ~~The revised Benefit Bank is reduced by the sum of all benefits previously paid to You.~~ Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of ~~Y~~ your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 2b:

☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable. ~~The revised Benefit Bank is reduced by the sum of all benefits previously paid to You.~~

If you elect this exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 3:

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. ~~The revised Benefit Bank is reduced by the sum of all benefits previously paid to you.~~ Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of ~~Y~~ your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

We hope you keep your long term care policy. It provides great peace of mind in knowing that if you need long term care, you won't have to bear the cost burden all on your own. We understand if you would like to explore other options to continue your coverage. **All options available may not be of equal value.** It may be best for you to contact us directly to discuss specific options for your coverage. We want to answer any questions you might have. Please call our Policyholder Support team at 888.575.8246 or e-mail us at [phs@yourlifesecond.com](mailto:phs@yourlifesecond.com).

Sincerely,

LifeSecure Policyholder Support



LifeSecure Insurance Company  
Policyholder Support  
[P.O. Box 1019  
Brighton, MI 48116  
**Phone: 888.575.8246**  
Fax: 877.226.0925]

[Insured's Name]      **PREMIUM INCREASE SELECTION OPTION FORM**      Policy Number: [   ]

Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete this form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.

[Variable 1:

☐ Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me

**Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.**

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If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium. **Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.**

You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

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[Variable 2:]

☐ **Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

- [Variable 2a:

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. ~~The revised Benefit Bank is reduced by the sum of all benefits previously paid to You.~~ Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of ~~Y~~ your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option ~~-, whether or not you selected it on this form.]~~

- [Variable 2b:

☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable. ~~The revised Benefit Bank is reduced by the sum of all benefits previously paid to You.~~

If you elect this exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

LS-0828 VA 05/2020



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Policyholder Support  
[P.O. Box 1019  
Brighton, MI 48116  
**Phone: 888.575.8246**  
**Fax: 877.226.0925]**

• [Variable 3:

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. ~~The revised Benefit Bank is reduced by the sum of all benefits previously paid to you.~~ Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of ~~Y~~ your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**I have carefully reviewed the enclosed information and understand my options. I authorize LifeSecure to amend my coverage as indicated on this form.**

Policyholder's Signature

Policyholder's Printed Name

Date

Current Email Address (Optional)

Current Address

City, State and Zip

Current Telephone Number

[Insured's Name]                      **PREMIUM INCREASE SELECTION OPTION FORM**                      Policy Number: [   ]

Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete this form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.

**[Variable 1:**

☐ Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me

***Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.***

If you want to keep your premium payment close to the amount it is now, you can reduce your Benefit Bank from [\$ current BB] to [\$ new BB]. Your Monthly Benefit Access Limit will be reduced from [\$ current MBAL] to [\$ new MBAL]. Please note that the Benefit Bank amounts shown have not been reduced by any claims that have been paid or are payable. Your new premium would be [\$ new premium] [payment mode]. If you choose this option, in order for your next invoice to reflect your new benefit amounts and premium, we must receive this completed form within 30 days from the date of the letter you received regarding this rate increase. If we receive this form after 30 days have passed, your next bill may show the increased premium.

You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

**[Variable 2:]****☐ Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

- **[Variable 2a:**

**☐ STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- **[Variable 2b:**

**☐ LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect **to** exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- **[Variable 3:**

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

If you elect this option, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your policy lapses at any time due to cancellation or nonpayment of premium, you will have automatically chosen this option, whether or not you selected it on this form.]

**I have carefully reviewed the enclosed information and understand my options. I authorize LifeSecure to amend my coverage as indicated on this form.**

Policyholder's Signature

Policyholder's Printed Name

Date

Current Email Address (Optional)

Current Address

City, State and Zip

Current Telephone Number





LifeSecure Insurance Company  
Policyholder Support  
[P.O. Box 1019 Brighton, MI 48116  
Phone: 888.575.8246  
Fax: 877.226.0925]

[Mailing Date]

**Important Notice: Upcoming Long  
Term Care Premium Rate Increase**

[Policyholder Name]  
[Address]  
[City, State and Zip]

Policy Number: [      ]

**This is not a bill - you do not need to send any payment to us at this time.**

Dear [Policyholder Name]:

After a careful review, we have found that a premium increase is necessary to continue providing your long term care coverage. Your premium is not being increased due to changes in your personal health, age or claims history. We recognize and value your loyalty to LifeSecure Insurance Company for your long term care insurance needs. We are grateful to have earned your trust over the years, and we are committed to providing you with quality long term care coverage at affordable rates.

Our decision to increase premium rates was made after thoroughly evaluating a variety of factors that impact premium rates. Rates are being raised on all policies like yours to pay for anticipated claims that are higher than expected. This is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than we anticipated when this policy was originally priced. As a result, premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims. This increase applies to everyone who purchased a policy under a specific policy series and was filed and approved by Virginia State Corporation Commission.

We maintain the right to raise premiums in the future. Should there be future rate increases, options similar to those being offered now will be available at that time. You may change your benefits at any time and not just at the time of a rate increase.

The rate increase request was reviewed by Virginia's State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at <https://scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx>. The policyholder has the right to a revised premium or a rate schedule in the event of a rate premium increase.

**What this means to you:**

The rate increase will go into effect on the first premium due date on or after the Increase Effective Date listed in the table below, unless your premium is currently being waived because of your claim status. If you are currently on Waiver of Premium, you will not be affected by this rate increase at this time. If your policy returns to active premium paying status, you will receive a new notification letter which will also include a Selection Option Form outlining the options that are available to you at that time.



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The following chart represents the upcoming change to your premium. If you pay your premium through a payroll deduction, the new premium will be in effect for the first premium due on or after the Increase Effective Date. If we do not hear from you by the effective date shown below, your new premium will go into effect. You will receive an updated Schedule of Benefits which should be retained with your policy.

If you have received, recently accepted, or are expecting to receive a Guaranteed Future Purchase Offer, the new premium shown below may not reflect the increased premium for that offer.

Your Current Premium	Your New Premium	Percentage of Increase	Increase Effective Date
[Current Premium] [Current Premium Mode]	[New Premium] [Current Premium Mode]	[%]	[Effective Date]

**Your current plan may meet the requirements for Partnership Plan Certification, providing you with asset protection. If you decide to change your benefits, this may affect that status.**

[Please evaluate your options carefully before making your selection. If you prefer an alternative to accepting the rate increase, please complete the enclosed form and return it to us at the address above or by fax. If you do not select an option below, the premium increase will take effect.]

**[Variable 1:**

☐ **Reduce my coverage so that my new premium payments will stay approximately the same as my current payment OR reduce my premium through one of the options that may be available to me**

***Note: You will not be able to increase your benefits back to the original amounts after selecting this option. This offer is based on your current benefits. If your benefits have changed, the Monthly Benefit Access Limit and Benefit Bank may be different than those shown above.***

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You also have the option to lower your premium at any point throughout the lifetime of your policy by reducing your benefits. Decreasing your compound inflation protection rider is one way to lower your premium. For example, if you have a 5% compound inflation rider, you can reduce it to 3%. If you have a 3% compound inflation rider, you can cancel the rider. To discuss this and other possible options to lower your premium, please contact our Policyholder Support team.]

**[Variable 2:]**

☐ **Exercise the Contingent Non-Forfeiture Benefit**

You have the option to convert your coverage to a "paid-up" status with a lesser Benefit Bank.]

- [Variable 2a:

☐ **STANDARD OPTION**

Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) 30 times the daily nursing home benefit at the time of lapse; in no event will the paid up value exceed the maximum benefits which would be payable if the policy remained in a premium paying status. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 2b:

☐ **LIMITED PAY OPTION**

Your revised Monthly Benefit Access Limit and Benefit Bank will be determined by multiplying the amounts prior to the reduction by 90% times the ratio of the number of months that premiums have been paid, divided by the number of months that premiums are payable.

If you elect **to** exercise this benefit, no further Guaranteed Future Purchase Offers will be available and no future increases under any Inflation Protection Benefit will occur. Premiums can no longer be paid, and benefits cannot be increased. If your coverage lapses due to cancellation or nonpayment of premium any time between the date of this letter and 120 days following the due date of the first increased premium, you will have automatically chosen this option, whether or not you selected it on this form.]

- [Variable 3:

☐ **Exercise the Lapse Protection Benefit**

You have the option to convert your coverage to a “paid-up” status with a lesser Benefit Bank. Your Benefit Bank will be reduced to the greater of: (a) one hundred percent (100%) of the sum of all premiums paid, excluding any waived premiums; or (b) one times (1x) Your Monthly Benefit Access Limit in effect at the time of conversion. Your Monthly Benefit Access Limit will remain at the dollar amount in effect at the time of conversion, restricted only by the amount of your revised Benefit Bank.

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We hope you keep your long term care policy. It provides great peace of mind in knowing that if you need long term care, you won't have to bear the cost burden all on your own. We understand if you would like to explore other options to continue your coverage. **All options available may not be of equal value.** It may be best for you to contact us directly to discuss specific options for your coverage. We want to answer any questions you might have. Please call our Policyholder Support team at 888.575.8246 or e-mail us at [phs@yourlifesecure.com](mailto:phs@yourlifesecure.com).

Sincerely,

LifeSecure Policyholder Support

State:	Virginia	Filing Company:	LifeSecure Insurance Company
TOI/Sub-TOI:	LTC03I Individual Long Term Care/LTC03I.001 Qualified		
Product Name:	Individual LTC 1.0 Rate Increase		
Project Name/Number:	Individual LTC 1.0 Rate Increase/		

## Superseded Schedule Items

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Creation Date	Schedule Item Status	Schedule	Schedule Item Name	Replacement Creation Date	Attached Document(s)
07/12/2018	Withdrawn 10/07/2020	Supporting Document	Certification of Compliance	07/18/2019	Certificate of Compliance.pdf (Superceded)

# State of Virginia

## Certificate of Compliance

Carrier: LifeSecure Insurance Company

Form Number(s)	Form Title(s)
LS-0827 VA 07/18	Policyholder Letter
LS-0828 VA 07/18	Selection Option Form

I hereby certify that to the best of my knowledge and belief the above submission complies with the laws, rules and regulations of the state of Iowa.

Signature of Officer or General Counsel:



Name (typed or printed): Brian Vestergaard

Title or business affiliation: Vice President, Sales & Marketing

Date: 07/16/2018